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Per. 2333 ol.

16
45(1). [1]



INDEX

TO THE

EXECUTIVE DOCUMENTS

OF THE

HOUSE OF REPRESENTATIVES

OF THE

UNITED STATES

FOR THE

FIRST SESSION OF THE FORTY-FIFTH CONGRESS.

Volume 1—Nos. 1 to 21 inclusive, except No. 5, to be found
in vol. 8 of Ex. Doc. of 2d Session, 45th Congress.

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MESSAGE OF THE PRESIDENT OF THE UNITED STATES.

MESSAGE

FROM THE

PRESIDENT OF THE UNITED STATES,

COMMUNICATED TO

The two Houses of Congress at the commencement of the first session of the Forty-fifth Congress.

OCTOBER 16, 1877.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed.

Fellow citizens of the Senate and House of Representatives :

The adjournment of the last Congress without making appropriations for the support of the Army for the present fiscal year has rendered necessary a suspension of payments to the officers and men of the sums due them for services rendered after the 30th day of June last. The Army exists by virtue of statutes, which prescribe its numbers, regulate its organization and employment, and which fix the pay of its officers and men, and declare their right to receive the same at stated periods. These statutes, however, do not authorize the payment of the troops in the absence of specific appropriations therefor. The Constitution has wisely provided that "no money shall be drawn from the Treasury but in consequence of appropriations made by law;" and it has also been declared by statute that "no Department of the Government shall expend in any one fiscal year any sum in excess of appropriations made by Congress for that fiscal year." We have, therefore, an Army in service, authorized by law and entitled to be paid, but no funds available for that purpose.

It may also be said, as an additional incentive to prompt action by Congress, that, since the commencement of the fiscal year, the Army, though without pay, has been constantly and actively employed in arduous and dangerous service, in the performance of which both officers and men have discharged their duty with fidelity and courage, and without complaint. These circumstances, in my judgment, constitute an extraordinary occasion, requiring that Congress be convened in advance of the time prescribed by law for your meeting in regular session. The importance of speedy action upon this subject on the part of Congress is so manifest that I venture to suggest the propriety of making the necessary appropriations for the support of the Army for the current year, at its present maximum numerical strength of twenty-five thousand men; leaving for future consideration all questions relating to an increase or decrease of the number of enlisted men. In the event of the reduction of the Army by subsequent legislation during the fiscal year, the excess of the appropriation could not be expended; and in the event of its enlargement, the additional sum required for the payment

of the extra force could be provided in due time. It would be unjust to the troops now in service, and whose pay is already largely in arrears, if payment to them should be further postponed until after Congress shall have considered all the questions likely to arise in the effort to fix the proper limit to the strength of the Army.

Estimates of appropriations for the support of the military establishment for the fiscal year ending June 30, 1878, were transmitted to Congress by the former Secretary of the Treasury at the opening of its session in December last. These estimates, modified by the present Secretary, so as to conform to present requirements, are now renewed—amounting to \$32,436,764.98—and, having been transmitted to both houses of Congress, are submitted for your consideration.

There is also required by the Navy Department \$2,003,861.27. This sum is made up of \$1,446,688.16 due to officers and enlisted men for the last quarter of the last fiscal year; \$311,953.50 due for advances made by the fiscal agent of the Government in London for the support of the foreign service; \$50,000 due to the naval-hospital fund; \$150,000 due for arrearages of pay to officers; and \$45,219.58 for the support of the Marine Corps.

There will also be needed an appropriation of \$262,535.22 to defray the unsettled expenses of the United States courts for the fiscal year ending June 30, last, now due to attorneys, clerks, commissioners, and marshals, and for rent of court-rooms, the support of prisoners, and other deficiencies.

A part of the building of the Interior Department was destroyed by fire on the 24th of last month. Some immediate repairs and temporary structures have in consequence become necessary, estimates for which will be transmitted to Congress immediately, and an appropriation of the requisite funds is respectfully recommended.

The Secretary of the Treasury will communicate to Congress, in connection with the estimates for the appropriations for the support of the Army for the current fiscal year, estimates for such other deficiencies in the different branches of the public service as require immediate action, and cannot, without inconvenience, be postponed until the regular session.

I take this opportunity also to invite your attention to the propriety of adopting at your present session the necessary legislation to enable the people of the United States to participate in the advantages of the International Exhibition of Agriculture, Industry, and the Fine Arts which is to be held at Paris in 1878, and in which this Government has been invited by the government of France to take part.

This invitation was communicated to this Government in May, 1876, by the minister of France at this capital, and a copy thereof was submitted to the proper committees of Congress at its last session, but no action was taken upon the subject.

The Department of State has received many letters from various parts of the country expressing a desire to participate in the exhibition, and numerous applications of a similar nature have also been made at the United States legation at Paris.

The Department of State has also received official advice of the strong desire on the part of the French government that the United States should participate in this enterprise, and space has hitherto been and still is reserved in the exhibition buildings for the use of exhibitors from the United States, to the exclusion of other parties who have been applicants therefor.

In order that our industries may be properly represented at the ex-

hibition, an appropriation will be needed for the payment of salaries and expenses of commissioners, for the transportation of goods, and for other purposes in connection with the object in view; and as May next is the time fixed for the opening of the exhibition, if our citizens are to share the advantages of this international competition for the trade of other nations, the necessity of immediate action is apparent.

To enable the United States to co-operate in the International Exhibition which was held at Vienna in 1873, Congress then passed a joint resolution making an appropriation of two hundred thousand dollars, and authorizing the President to appoint a certain number of practical artisans and scientific men who should attend the exhibition and report their proceedings and observations to him. Provision was also made for the appointment of a number of honorary commissioners.

I have felt that prompt action by Congress in accepting the invitation of the government of France is of so much interest to the people of this country, and so suitable to the cordial relations between the governments of the two countries, that the subject might properly be presented for attention at your present session.

The government of Sweden and Norway has addressed an official invitation to this Government to take part in the International Prison Congress, to be held at Stockholm next year. The problem which the congress proposes to study—how to diminish crime—is one in which all civilized nations have an interest in common; and the congress of Stockholm seems likely to prove the most important convention ever held for the study of this grave question. Under authority of a joint resolution of Congress, approved February 16, 1875, a commissioner was appointed by my predecessor to represent the United States upon that occasion, and the prison congress having been, at the earnest desire of the Swedish government, postponed to 1878, his commission was renewed by me. An appropriation of eight thousand dollars was made in the sundry civil-service act of 1875 to meet the expenses of the commissioner. I recommend the re-appropriation of that sum for the same purpose, the former appropriation having been covered into the Treasury, and being no longer available for the purpose without further action by Congress. The subject is brought to your attention at this time in view of circumstances which render it highly desirable that the commissioner should proceed to the discharge of his important duties immediately.

As the several acts of Congress providing for detailed reports from the different Departments of the Government require their submission at the beginning of the regular annual session, I defer until that time any further reference to subjects of public interest.

R. B. HAYES.

WASHINGTON, *October 16, 1877.*

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REPORT OF A BOARD OF INQUIRY INTO THE CAUSES OF
INTERIOR DEPARTMENT FIRE.

MESSAGE

FROM THE

PRESIDENT OF THE UNITED STATES,

TRANSMITTING

To the House of Representatives the report of a board of inquiry to examine into the causes of the fire which destroyed a part of the Interior Department building.

OCTOBER 17, 1877.—Referred to the Committee on Appropriations and ordered to be printed.

To the Senate and House of Representatives :

I have the honor to transmit herewith the report of a board of inquiry appointed by the Secretary of the Interior to examine into the causes of the fire which destroyed a part of the Interior Department building on the 24th of last month.

R. B. HAYES.

EXECUTIVE MANSION,
Washington, October 17, 1877.

DEPARTMENT OF THE INTERIOR,
Washington, October 12, 1877.

SIR: I have the honor to submit herewith the report of a board of inquiry appointed by me to examine into the causes of the fire which destroyed a part of the Interior Department building on the 24th of last month. (Exhibit A.)

The board conducted their inquiry with diligence and circumspection, and examined a large number of witnesses. The opinion expressed by the board that the fire was caused by sparks or burning cinders from a flue igniting a wooden grating with which the gutters on the roof were covered, seems to be well supported by the testimony.

I also submit the report of a board of survey appointed by me "to examine into the condition of the Interior Department building damaged by the recent fire; to report what temporary measures, if any, should be taken to secure the walls from further damage by the elements, to examine the roof of the south and east wings, and report whether, in their judgment, it should be replaced by another to prevent further injury by fire, and to make any suggestions or recommendations regarding

the reconstruction or repairs of the building which they might deem advisable."

Brevet Maj. Gen. M. C. Meigs, United States Army, Mr. Edward Clark, Architect of the Capitol Extension, and Mr. Adolf Cluss, architect and engineer, kindly consented to serve as members of the board, and from their report (Exhibit B) it appears that the walls of the burned portion of the building are, on the whole, in a safe condition, needing only, during the coming winter, a covering against rain and snow, of rough boards or of tarpaulins, painted water-proof canvas.

Measures have been taken for the temporary protection of the building.

After the fire, the burned portion was found encumbered by an immense mass of *débris*, the greater part of which had to be removed before the erection of a temporary roof could be proceeded with. This removal was rendered especially difficult by the necessity of disentangling and cutting to pieces a large number of heavy iron beams and rafters which had been precipitated on the floors in confused heaps, and many of which were still fastened in the walls. The *débris* is now removed and the temporary roof has been completed.

The office-rooms on the first floor of the west and north wings of the building were more or less damaged by water. In most of them the ceilings, and in some of them the walls, require new plastering. It will also be necessary to repair many of the flues before the permanent restoration of the building is begun.

I herewith submit an estimate of the cost of the removal of the *débris*, the erection of temporary constructions, and the immediate repairs which were rendered necessary by the fire, and which in part have already been executed. An item of contingent expenses has been added, for the reason that a more minute inspection of the injured portion of the building may still develop the necessity of immediate repairs thus far unnoticed.

Many of the office-rooms on the first floor of the west and north wings having become unfit for use, I found myself obliged to establish a part of the clerical force of this Department in some outside building. The renting of such outside buildings is prohibited by law, but when Mr. John W. Wright, of this city, offered to me the use of his premises on the northeast corner of G and Eighth streets, on the terms indicated in the letters herewith submitted, (Exhibits C and D,) I considered myself justified by the stress of circumstances in accepting his offer. I would therefore respectfully recommend an appropriation for rent to be paid to Mr. Wright, at a rate not exceeding that paid to him when his building was occupied by the Bureau of Education, viz, \$750 per month. It is hoped that all the office-rooms in the Interior Department building, which have been vacated in consequence of the fire, will, within a short period of time, be so far repaired as to be fit for their accustomed use. The occupation of Mr. Wright's building will then be dispensed with.

I fully concur with the suggestions and recommendations made in the above-mentioned report of the board of survey (Exhibit B) as regards the permanent restoration of the Interior Department building and the replacing of the roof covering the east and south wings by a new one. The necessity of a really fire-proof construction requires no further argument. It has been sufficiently demonstrated by sad and costly experience.

The suggestion of the board, that another building be constructed across the court-yard running north and south, has also my earnest approval.

Two of the bureaus of the Interior Department—those of Pensions and of Education—are now located in another part of the city. The Secretary's Office, the Patent-Office, the General Land-Office, and the Bureau of Indian Affairs, crowded together in the Interior Department building, are seriously suffering from want of room. Many of the halls and corridors are lined with book-cases, containing very valuable records and papers. The loft under the roof of the F-street portico, described in the report of the board of survey as dangerous to the safety of the building, is filled with files of papers, because for those files no other room can be found in which they can be so arranged as to be accessible. An enlargement of the building seems, therefore, imperatively necessary, for it is certainly not conducive to a proper conduct and supervision of the business of this Department to have its offices still more scattered over the city than they are now. The constant necessity of conference and co-operation of the heads of bureaus and the head of the Department renders it, on the contrary, most desirable that all the offices should be under one roof. A central building, as recommended by the board of survey, would measurably satisfy this pressing want. It can be added to the existing edifice without marring its beautiful proportions. It can furnish a basement for the preservation of records and papers not constantly in use, and office-rooms enough to permit the return of the Pension-Office and the Bureau of Education to their proper places.

I recommend that provision be made for the construction of such a central building, as well as the restoration of the model-halls, and that a competition of architects be invited as to plans, specifications, and estimates.

I also submit the reports of the Commissioners of the Patent-Office, the General Land-Office, and the Bureau of Indian Affairs, (Exhibits E, F, and G,) stating the loss and injury of records, papers, and other material of their respective bureaus, caused by fire and water. It appears therefrom that the destruction of patent-models by fire has been very large and to a great extent irreparable, but that the books, records, and papers of the Department have suffered very little damage. Only about thirty patented drawings were lost by fire in the model-room which cannot be restored. The hurried removal of records and papers to places of safety on the day of the fire, and the consequent mingling of papers belonging to one bureau with those belonging to another, caused some temporary confusion, which, however, considering the immense accumulation of material in the Department, turns out to be far less extensive and embarrassing than might have been expected.

The severe rain-storm which occurred on the 4th of this month, and about the disastrous effects of which on the contents of the building alarming reports were circulated, did no damage to the records and papers of the Department at all. On the whole, it is a matter of congratulation that the great disaster which has befallen us left untouched that class of documents the loss of which would have gravely imperiled private rights and interests, and embarrassed the conduct of public business.

It gives me the sincerest pleasure to state that the officers and employes of the Department have in this trying emergency shown a devotion to duty deserving the highest praise.

I have the honor to be, sir, very respectfully, your obedient servant,

C. SCHURZ,

Secretary of the Interior.

The PRESIDENT.

EXHIBIT A.

WASHINGTON, D. C. *October 7, 1877.*

SIR: We have the honor to submit herewith a report showing the result of our investigation into the origin of the fire in the Interior Department building on September 24, 1877.

Very respectfully,

M. D. BRAINARD,
AMOS HADLEY,
WM. REED,
Board of Inquiry.

HON. CARL SCHURZ,
Secretary of the Interior.

HON. CARL SCHURZ,
Secretary of the Department of the Interior:

SIR: The undersigned board of inquiry, appointed by your order of the 26th ultimo for the purpose of examining into the cause of the fire in the Interior Department building on the 24th ultimo, have the honor to report that we have performed that duty by examining a large number of witnesses, whose testimony, covering several hundred pages, is herewith submitted.

In order that no fact or circumstance pointing to the probable origin of the fire might escape our attention, we have examined all of the employés of the Department, and others whose names we could obtain by diligent inquiry, who were acquainted with the construction of the burned portions of the building, or who were upon the roof on the morning of the 24th ultimo, either before or after the fire was discovered.

We have also examined the day and night watchmen who were on duty in the building on the day preceding the fire, (Sunday, September 23,) and find that no person entered the building who was not authorized to do so by a departmental pass.

The annexed schedule, marked "Exhibit No. 1," shows the names of the watchmen on duty and the several posts to which they were assigned.

Exhibit No. 2 shows the names of clerks and employés who entered the building on the Sunday before the fire, and also those who entered the building on the morning of the fire before office-hours.

As many theories as to the probable origin of this fire have been advanced, we think it proper to briefly notice some of the most plausible of them in this report.

At the outset, we deem it advisable to direct your attention to the materials out of which the Ninth-street wing of the building was constructed, as this was the part of the building where the fire originated. The roof was what is commonly known as a "truss roof," and the tie-rods, rafters, braces, and struts were iron. The purlines, trusses, sheathing, and ceiling were constructed of pine wood. The pine sheathing of the roof was covered by sheet-copper about one-fortieth of an inch in thickness. The tops of the chimneys were of iron set upon the brick wall over the flues, about 12 inches below the roof, and extended above the roof about 2½ feet. Over the gutters, running around the entire wing, was placed a pine-wood grating to keep them from clogging up with snow and ice in the winter season, and to protect them from the heat of the sun in summer. This grating was made of inch boards,

fastened together by cross-pieces of 3 by 2 inch material, and was constructed in sections of about 10 feet in length by 4 feet in width.

The drawings hereunto attached, and marked "Exhibit No. 3," are true copies of the original plans of the roof of this wing of the building. On the south end of the roof of this wing a conservatory or hot-house, about 65 by 35, was located for the purpose of preserving plants in the winter-time. The walls of this room were made of seven-eighths inch boards, tongued and grooved; the floor was made of planks resting on the ceiling of the model-room, and was covered with zinc, and the roof of the room was glass. Wooden shelves were arranged for the accommodation of the plants, and there was a small tank from which necessary water was obtained. The only door leading into this conservatory was on the east side of the roof. North of this conservatory, and immediately under the roof, extending up to G street, was situated what was known as the rejected-model room of the Patent-Office.

The testimony shows that three rows of shelves of rough boards were erected on each side of the center of this room for the entire length thereof, and many thousand models of all classes and descriptions were stored thereon, besides a large number which were not on the shelves but piled up indiscriminately immediately under the roof of the building.

Boxes, paper bags, envelopes, and postage-stamps, together with textile fabrics and all sorts of inflammable materials, were stored in the room near where the fire originated, but it does not appear that any chemicals were included in this miscellaneous collection.

We will now examine in the light of the testimony before us some of the theories as to the manner in which this fire originated.

1st. Did the fire originate from the spontaneous combustion of chemicals stored under the roof in this rejected-model room? With reference to this theory we think it only necessary to state that the testimony shows that all chemical and other substances likely to ignite without the actual presence of fire, were removed from this room many months before the fire occurred.

2d. Did the fire originate from the carelessness of persons engaged in repairing the roof? With reference to this theory the testimony shows conclusively that no repairs had been made on the roof for a week prior to the fire.

3d. Did the fire originate from the heating apparatus in the conservatory on the roof? This theory is as readily exploded, as the testimony shows that this apparatus had not been heated since last spring.

Having briefly reverted to the only theories advanced as to the probable origin of the fire which in our opinion are at all deserving of attention, we now come to what we consider the true cause thereof, viz:

We find from the testimony that about 9.30 o'clock on the morning of the 24th ultimo, a fire was built in room No. 187, in the basement of the Ninth-street wing of the building, by Henry F. Brandeburg, a laborer in the Patent-Office, at the request of the lady copyists employed in said room, for the purpose of removing the dampness therefrom. This fire was built of pine boards and a blower was placed over the grate, and it is shown by the testimony that the roaring of the fire excited the attention of the persons employed in the room and was the subject of comment by them at that time. The smoke from this fire passed up through the third fine from F street on the Ninth-street wing.

The testimony of Messrs. Sibley, Tipton, Smith, Dailey, Ramey, Churchill, Hopkins, and Long, who were upon the roof some time before the alarm of fire was turned in, shows that a section of the wooden grating covering the gutter on the roof, and lying immediately against

the flue from which said smoke issued, was found on fire and was thrown off the roof into the yard on Ninth street by Sibley and others.

We think there can be no doubt but that this dry pine grating was set on fire by sparks or burning cinders which came up through this flue.

The amount of this grating which had been burned at the time the witnesses discovered it is variously estimated by them, but we conclude that not less than 30 square feet of boards had been destroyed. The witnesses state that they found a large quantity of live coals lying on the roof and in the gutter, and that the copper was so intensely hot that it had changed color, and in some places sunk down as though there was a hole underneath. This intense fire on the roof of the building was separated from the dry pine-wood sheathing underneath by the copper roofing, which, as before stated, was only about one-fortieth of an inch in thickness, and was lapped and soldered together along the gutter with common solder. The boards under the roof did not fit sufficiently close together to exclude the free circulation of air, and we are of opinion that, owing to the amount of fire on the roof and the thinness of the copper roofing, the board sheathing underneath took fire, and, communicating to the paper and other inflammable materials stored in the immediate vicinity of this grating in the rejected-model room, had gained uncontrollable headway before any one in the building was aware of the danger, and some time before the alarm of fire was turned in.

Several ladies who were employed in the west wing of the model-room testify to smelling smoke between 9 and 10 o'clock on the morning of the fire, but as the windows were open and the wind was blowing from the southwest, we conclude that this smoke came from the chimneys of other buildings in the vicinity.

Several persons testify to seeing smoke arising from various parts of the roof long prior to the alarm of fire, but as there were four fires built on the Ninth-street side on that morning, they undoubtedly saw the smoke from one of the chimneys.

After the most careful and searching investigation, we find nothing to warrant the belief that the fire was incendiary, but, on the contrary, all the facts and circumstances show that it was accidental and had its origin in the manner above stated.

Before closing this report, we consider it our duty to call your attention to the condition of several of the chimney-flues under the roof of the Seventh and F street wings of the building, which appear, from personal inspection, to have been defective and unsafe for a long time, and which, if not speedily repaired, may be the cause of further disaster.

We submit herewith four photographic views of the burned portions of the building from various stand-points, which are marked, respectively, Exhibits 4, 5, 6, and 7. We also submit a diagram of the roof of the building, showing the burned portions thereof, the position of the conservatory, and the chimneys from which the smoke of the several fires issued, the location of the rejected-model room, the position of the burning grating, &c., which is marked "Exhibit No. 8."

We have the honor to be, very respectfully,

M. D. BRAINARD,

WM. B. REED,

AMOS HADLEY,

Board of Inquiry.

EXHIBIT B.

WAR DEPARTMENT,
QUARTERMASTER-GENERAL'S OFFICE,
Washington, D. C., October 3, 1877.

To the Hon. SECRETARY OF THE INTERIOR :

I have the honor to transmit herewith the report of a board, instituted by your letter of the 1st October, to examine the Patent-Office and Interior Department building and to advise on its reconstruction and alteration where not fire-proof.

I also inclose a rough sketch of the method of reconstructing the model-rooms lately burned out, as recommended in the report.

Very respectfully, your obedient servant,

M. C. MEIGS,
Quartermaster-General, Brevet Major-General, U. S. A.

Proceedings of a board of survey under the following letter of the Secretary of the Interior :

“WASHINGTON, D. C., October 1, 1877.

“A board of survey to consist of Brig. Gen. M. C. Meigs, Quartermaster-General, U. S. A.; Mr. Edward Clark, Architect United States Capitol; Mr. Adolph Cluss, architect and engineer, is hereby constituted, to examine into the condition of the Interior Department building, damaged by the recent fire, and report what temporary measures, if any, should be taken to secure the walls from further damage by the elements. The board will also examine the roof of the south and east wings, and report whether, in their judgment, it should be replaced by another to prevent further injury by fire.

“The Secretary of the Interior would be pleased to receive any suggestions or recommendations from the board regarding the reconstruction or repairs of the building they may deem advisable.

“A. BELL,
“Acting Secretary.”

OCTOBER 1, 1877.

The board met at the Interior Department at 1.15 p. m. and organized. Present, all the members.

Mr. Clark, having an engagement with the board on public buildings, lately constituted by the President of the United States, excused himself; and it was resolved that the board, when it adjourned, should adjourn to to-morrow, at 10 a. m.

The other members then resolved to visit the building of the Patent-Office, in order to make a preliminary examination. They visited the burned halls and the roof.

Adjourned.

OCTOBER 2.

Board met at 10 a. m. at the Interior Department.

All present.

Proceeded to make a careful inspection of the building. Found some cracks in the partition-walls of the north wing—principal story—caused, according to testimony of persons who were present during the conflagration, by the heating of the iron and brick work which forms the floor

of the north model-room, and the fall thereon of the iron trusses and half-burned timbers and covering of the roof. The board agreed in these conclusions. The cracks are insignificant, and will not affect the safety or permanence of the building. They need only to be pointed up and painted over.

The board then proceeded to examine the walls of the burned portion of the building from above. The walls of the north wing show very slight deviations from straight lines on sighting along the outer edge of the blocking which crowns them. The north wall of court-yard shows a deviation to the south in the center of $1\frac{1}{2}$ inches in a length of 268 feet and a height of about 50 feet; a similar convexity toward the north in the blocking on the portions of the north or G-street wall, between the central portico and the east and west wings, is perceptible, but the board are of opinion that in this case the blocking alone has been slightly moved, its lines are irregular, and that the walls have not moved materially. This deviation in walls—which, including the pilasters, are over 4 feet thick and 50 feet high—is not sufficient to cause any apprehension for their safety or any doubt of their ability to support any superstructure likely to be put upon them.

The board then examined the roof of the south and east wings. These roofs are of thin sheet-copper, laid upon 1-inch pine sheathing-boards, which are supported by pine joists, all resting upon groined arches, which form the ceiling of the south and east model-rooms.

The roof of the south portico extends over the whole portico. Within it is a large room with wooden floor underneath, which is the lath-and-plaster ceiling of this portico. It is covered by a roof similar in construction to that of the south and east wings, but lathed and plastered on the lower surface. This room is filled with many tons of documents, resting on the shelves of white-pine file-cases. A stove stands in this room, in which, as the day was warm, was no fire. Yesterday, General Meigs and Mr. Cluss saw in this room workmen engaged in packing in large bags for removal a large quantity of these documents, which were heaped indiscriminately upon the floor, and in the immediate vicinity of the stove. Such a use of this space in a wooden roof is undoubtedly very dangerous.

In another space under the roof of the south wing, at its east end, is the work-shop of a model-repairer. In this is a stove. Two wooden floors and two flights of wooden stairs, leading to the roof, make this a veritable tinder-box in communication with the whole space under the roof of north and east wings. This is also a present danger.

Through the space between the upper surface of the groined arches of ceiling of model-room and the wooden joists and sheathing of these roofs pass many smoke-flues. The smoke of the recent conflagration has penetrated everywhere beneath these roofs, whose timber and wood-work are blackened with soot, smell strongly of fire, and are in a very ignitable state.

It would probably be a wise precaution to give this wood-work immediately a heavy coat of soluble glass, silicate of soda, to protect it from danger of ignition from any spark escaping from any imperfect joint in the numerous smoke-flues.

The board is of the opinion that the safety of the building requires the removal of these roofs and the substitution of others of absolutely fire-proof construction.

The plan for a temporary roof within the walls of the ruined model-room, designed by Mr. Clark, being examined by the other members of the board, they agree in recommending its immediate construction, with

a single modification, which is to make the gutter V-shaped, or with sloping sides, so as to avoid all danger of its being burst by expansion of ice in cold weather.

The brick-work of the upper surface of the walls should be repaired where smoke-flues pass out of them. The only protection they will need this winter is a covering, against rain and snow, of rough boards or of paulins, painted water-proof canvas. In reconstructing the roofs of south and east wings, the board recommends that the roofs be made of rolled iron H-beams, filled in between with brick-work, or with perforated bricks or tiles, in some of the common forms to be found in the market, over all which corrugated sheet-copper, to keep out water, should be laid on the masonry; such copper is used in the roof of the northern portion of the General Post-Office.

That the H-beams rest upon cross-walls of brick-work, placed over the lines of the piers of the groined arches of the ceiling of model-rooms. These cross-walls should be so arranged as to divide the space into tight, separate rooms, communicating only by double wrought-iron doors, with air-spaces between. In order to make this space more useful, and to improve the discharge of rain-water, the pitch of the roof should be made somewhat steeper, and the eaves thereof should be placed at such a height as to permit the eave-trough to rest on top of the blocking course.

This construction will give a large space for the storage of files, in which, being between a brick floor and a brick and iron roof, and separated into rooms or cells of moderate dimensions, documents may be stored without danger to the model-rooms. If the slope of the roof as reconstructed is sufficient to permit it, slate laid in mortar may be used with advantage as the outer covering instead of metal. Slate does not require the constant presence of the plumber and sheet-metal worker, signs of whose work are visible all over these roofs. Most public buildings in Europe have suffered from the plumber's portable furnace.

It will be proper to level or terrace the upper surface of the groined arches, and in this operation open brick-work may be used for economy of material and to avoid greatly increasing the load on the piers.

In restoring the north and west model-rooms, the board recommends that these be arranged as basilicas, each with nave and two aisles, with two longitudinal ranges of brick columns, at a suitable interval, in the middle; these columns to support longitudinal brick arches on which rest walls going up to the slopes of the roofs. That the roof and ceiling be of brick or tile, 9 inches thick, set in cement and supported between sloping rolled iron H-rafters; those covering the outer aisles to rest upon the top of the outer walls and in holes in their inner walls, above the arches and columns.

That the middle aisle be roofed with similar beams and brick-work, resting upon the two middle aisle-walls over the columns and arches, which walls should rise above the slope of the roof of outer aisles, and have windows forming a clerestory. The columns should be of hard brick, set in cement and plastered, as resisting fire better than any stone or metal. The roof of the middle aisle will need tie-beams, which should be of rolled round iron of sufficient dimensions not only to resist the thrust of the roof but also to have surplus material, so as not to be readily overheated in case of fire among the models or any other material or goods which may be stored in what have been the model-rooms. These halls will have much more space and storage of models than before the fire, as they will be lofty enough to admit of three tiers of cases instead of two, and of two galleries instead of one. They will also be better lighted.

It is to be remarked that this building is designed to stand for cen-

turies, and that any of its rooms may in time be devoted to very different purposes than those for which it was originally built. When it was constructed no one contemplated that the space within the roofs, lately destroyed by fire, would be used for storage of immense masses of combustible materials, models, and files of papers and engravings, nor was any means of ready access to the interior of the roof lately destroyed then provided.

The exterior walls should be cleaned; they are but little defaced by smoke. A few blocks of marble it may be, possibly, necessary to replace, but only a few if any.

The slight rounding of the edge of a window does not injure the stability of the building, and in so large a building is not an obtrusive injury to the appearance.

If the roof be placed at such height as to allow the eaves-trough to be on top of the blocking-course, it will not be necessary to renew the course. Some of the stones of which it is composed are injured by heat, but only on the inner side, which will be covered by the brick-work when raised to the proper height.

As space is evidently already much needed to accommodate the great and growing business of the Patent-Office and of the Interior Department, which has, in fact, compelled the dangerous use of the spaces within the roof for storage of combustible materials, the board suggests the propriety of constructing another building across the middle of the court-yard, running north and south, to consist of the same number of stories as the present fronts and wings, to have a central corridor and two rows of rooms on each story, and to be of fire-proof construction.

It will not only give much needed office and file rooms, but it will greatly facilitate communication and circulation throughout the building, saving many steps. The two court-yards which will then exist will be of dimensions which can be readily roofed with iron and glass, which will make it possible to use all the lower portion of them for storage of models, papers, &c.

M. C. MEIGS,
Quartermaster-General, Brevet Major-General, U. S. A.
EDWARD CLARK,
Architect United States Capitol.
ADLF. CLUSS,
Architect and Engineer.

EXHIBIT C.

WASHINGTON, D. C., September 25, 1877.

SIR: If you should need additional office-room since the fire, I hereby offer you the use of my building, corner Eighth and G streets, northwest, for such period of time as the same may be necessary for purposes of your Department, the same to be determined by you upon ten days' written notice; and I agree to accept such compensation for use of the building as may be determined by Congress, provided that upon termination of the occupation of the building by your Department the same shall be delivered up to me in the same condition that it now is, ordinary wear and tear and damage by the elements excepted.

Very respectfully,

JOHN W. WRIGHT.

Hon. CARL SCHURZ,
Secretary of the Interior.

EXHIBIT D.

DEPARTMENT OF THE INTERIOR,
Washington, September 29, 1877.

SIR: I have received your letter, dated the 25th instant, tendering me for the Government the use of your building, situated at the corner of Eighth and G streets, northwest, in this city, for office-rooms, made necessary by the late fire, without compensation, unless an appropriation therefor shall be made by Congress.

I accept, in behalf of the Government, the use of your building for occupation on the terms and conditions named in your letter, and will recommend to Congress that an appropriation be made to suitably compensate you for the use of your building for such time as its occupation may be deemed necessary.

Very respectfully,

C. SCHURZ,
Secretary.

JOHN W. WRIGHT, Esq.,
Washington, D. C.

EXHIBIT E.

UNITED STATES PATENT-OFFICE,
October 12, 1877.

SIR: In compliance with your circular of the 10th instant, I have the honor to make the following statement regarding the losses incurred during the recent fire and storm, especially with reference to the records of the office.

The severest loss is obviously that of the patented models of which about 87,000 were destroyed. The classes and their subdivisions are indicated in the printed slips inclosed herewith.

Many of these models were doubtless of no value. Of the value of others no estimate can be made; many of them can undoubtedly be reproduced by the inventors from the same patterns from which the originals were made, but under the law these reproductions would be of no legal value for court or office purposes.

As illustrations of American invention a large museum might be stocked with such restored models, should the inventors think it desirable to furnish them.

In the west hall were several thousand models in what are known as "pending" and "issue" cases. The former belong to applications still pending in the examiners' rooms, the crowded condition of which requiring the models to be frequently cleared out and stored away from public observation, the latter to cases allowed by the examiners, and were awaiting the payment of final fee and issue of the patent before being placed in their proper cases among patented models. The loss of these falls on the inventors. In case of final rejection of any application, a new model will not be called for, but in all existing issue cases as well as in those to be allowed in the future the inventor will have an opportunity afforded him of replacing his model. A copy of the circular-letter prepared for this purpose is inclosed herewith.

The loss of rejected models is not serious. These models in all cases where they were required have been returned to the parties furnishing

them. Some which were of use as illustrating mechanics or applied science have been from time to time loaned to schools and seminaries to be returned if called for. The great bulk of them in the Ninth-street loft, about 12,000 in number, were practically valueless, and were kept only because of the possible injustice that might result if they were disposed of without notice to the applicants. Such notice would involve more clerical labor than the force in the office could attend to. The propriety of breaking them up and selling them for old metal has recently been seriously discussed. Such disposition of them is authorized under section 485, Revised Statutes.

The loss, by the destruction by fire and water, of photograph copies of drawings is great. It is estimated that 40,000 sets, of 150 copies each, were destroyed, making over 600,000 copies. These are not to be considered as original records, but were so much stock held for sale and copies only. To replace them, however, will not cost probably less than \$60,000.

The most serious loss in this office, apart from the general destruction of models, was that of about 30 patented drawings which were in the hands of tracers working in the model-room, and in the hurry and confusion of the fire were abandoned and burned. These were all in the class of "wood-working," in which all models were lost also. It is probable many of these drawings can in time be restored from the copies attached to the original letters-patent. It is not impossible, moreover, that some of the metal models in this class may be recovered from the ruins, sufficiently preserved for office purposes.

The patented drawings of the entire issue of September 4, 304 in number, were all destroyed except one. They had been photolithographed, however, so that no serious inconvenience results.

Eleven volumes of English patented drawings, containing 619 drawings, are missing from the library; nine of these were in the model-room, and were undoubtedly consumed. These drawings can be replaced, and duplicates have already been ordered from England. The cost of binding will be the only expense incurred.

In the application division a single issue file is missing. This was waiting the payment of final fee of \$20. It can be reproduced by the joint action of the applicant and the examiner.

In the same division some files of incomplete cases are missing. These have never reached the examiner, and can be replaced by the applicants if they desire; but many of them are considered practically abandoned, and are of no value. Of the 60 volumes of application records, one is missing for part of 1870, but it is probable this will be found.

The examiners' rooms suffered very little loss. Mr. Parkinson reports eight drawings in re-issue applications lost, but in seven of these cases the original drawings are on file. He has missed some files of pending applications, and two volumes of foreign works relating to his class. These can be replaced.

Mr. Fowler has lost a table having in the drawer some manuscript digests, on which a good deal of labor had been expended.

Mr. Durnall reports missing one application file and drawing, five caveat files, and one caveat drawing.

A valuable patented model (an alarm-clock) is missing, probably stolen from Mr. Townsend's room.

Several officers report volumes of office publications missing, but it is probable they are only displaced, and will be eventually found.

No books or original records of any kind are reported damaged by fire or water.

The original files in all patented cases, which are the most valuable records of the office, are kept in rooms on the first floor, near the south-east corner of the building. They were considered perfectly secure from fire, and no water has reached that part of the building. No attempt was, therefore, made to remove them. The sole value of such records depends upon their perfect arrangement and ready accessibility, and the disorder and confusion into which they would necessarily have been thrown by an attempt to remove them would have been a damage scarcely less than their destruction.

In fact, the only losses hitherto discovered of books and papers, save by fire, appear to have arisen from the intrusion of unauthorized persons, who threw them from the windows or otherwise removed them in apparent wantonness.

In the draughtsman's division, where no one was allowed to enter except employes of the office, all the drawings were removed in the portfolios, as well as all files of rejected applications, and were subsequently restored to their places, without loss. The coolness and energy displayed by Mr. Gardner, principal draughtsman, in the management of his force and in the care of the invaluable records in his charge merit special commendation.

Indeed, I cannot speak too highly of the conduct of the officers, clerks, and other employes of this bureau during this most trying emergency. They have made the interest of the office their own, and by night and day, through fire and flood, have been, with few exceptions, faithful and untiring in their efforts to preserve public property and restore order. From their persistent fidelity it has resulted that through a succession of unlooked-for disasters there has been no delay or disturbance of the business of the office except what was occasioned by the absolute want of room in which the work could be done.

I have the honor to remain, Mr. Secretary, very respectfully, your obedient servant,

ELLIS SPEAR,
Commissioner.

Hon. C. SCHURZ,
Secretary of the Interior.

EXHIBIT F.

DEPARTMENT OF THE INTERIOR,
GENERAL LAND-OFFICE,
Washington, D. C., October 9, 1877.

SIR: In compliance with your verbal request of this morning, I have the honor to report the present condition of the records, files, and other property of this office, and the amount of damage thereto resulting from the late fire. The statement is made in detail, and is compiled from the reports of the chiefs of division.

Division A, (Chief Clerk.)—In this division about 400 copies of back numbers of the annual report will require rebinding. This is the only essential damage to documents. The records and files are in good condition.

Division B, (Recorder.)—The records and files in this division are in good condition. Some of the papers in the file-cases have been more or less wet, but are now being dried, and will suffer no material injury.

Division C, (Public Lands.)—The books and papers in this division have suffered no injury. In the hurry of moving, a few books and papers have been misplaced, but are, without doubt, still in the building, and will soon be found.

Division D, (Private Land-Claims.)—No records or papers in this division have suffered any damage. The only loss reported is that of the original manuscript report of the register and receiver at Jackson Court-House, Miss., acting as commissioners in the ascertainment of titles to certain private land-claims in their district. The same matter is contained in the American State Papers, and is therefore accessible in another form.

Division E, (Surveys.)—No damage or loss whatever is reported from this division.

Division F, (Railroads.)—The records and papers are generally well preserved. A few papers are missing, occasioned by hasty removal, but as they are continually being found in other portions of the office, it is thought that all will eventually be recovered.

Division G, (Pre-emption.)—There is no injury to the books and records of this division. Few papers are missing, and those are entirely of cases long since adjudicated.

Division H, (Military Warrants and Agricultural College-Scrip.)—The records and files in this division are uninjured and in good order.

Division K, (Swamp-Lands.)—The records and files are complete and in good order.

Division L, (Draughtsmen.)—None of the records have been damaged.

Division M, (Accounts.)—No records or papers belonging to this division have been lost or destroyed, and are all now in order.

Division N, (Mineral.)—The records and papers in this division are in good condition, and are complete so far as can be ascertained.

The damage by water to the walls, carpets, desks, maps, and wall-furniture cannot, at this time, be definitely stated. The desks are, with a single exception, all preserved, and, with ordinary repairs, will be in as good condition as before.

In nearly all the divisions the work is resumed. In several it was not interrupted except on the day of the fire and a portion of the succeeding one. Within a few days work will be resumed throughout the office.

The clerks and other employes have been constantly at work day and night since the day of the fire in securing from damage and properly assorting and arranging papers. They have been faithful and industrious, and to their efforts is due the prevention of serious damage to the records.

Owing to the necessity of occupying rooms in various portions of the building less contiguous than before, and to the great extra labor enforced by the removal of furniture, books, papers, and documents, considerable increase of the laboring force of the office, including messengers, should be provided, as the number previously employed was barely sufficient at great inconvenience to perform the ordinary service required of them.

Very respectfully, your obedient servant,

J. A. WILLIAMSON,
Commissioner.

HON. SECRETARY OF THE INTERIOR.

EXHIBIT G.

DEPARTMENT OF THE INTERIOR,
OFFICE OF INDIAN AFFAIRS,
Washington, October 8, 1877.

SIR: Pursuant to Department instructions of 6th instant, for report in detail of any losses or damage to the records and property of this bureau resulting from the fire on the 24th ultimo and storm of 4th instant, I have the honor to state that volume 4, "Miscellaneous Public Documents," some Ottawa and Chippewa stubs to certificates of allotments and schedules of like allotments, and some of the current mail, upon which action was being taken on the day of the fire, are reported as missing from the land division of this office.

The following divisions, finance, accounts, civilization, and educational, report that they lost no records or papers.

The files division reports that all record-books have been recovered, but many of the file-holders were broken on the day of the fire, causing proportionate confusion of papers, an entire re-arrangement of which has not yet been effected. It is reasonably inferred, however, from the examination already made, that few papers, if any, in this division were lost, destroyed, or damaged beyond repair, and none of importance are known to be missing. A small portion of the office-furniture was damaged somewhat by excited handling on the day of the fire, and a few articles of stationary were lost.

Many records and papers were brought from the General Land-Office during the fire and hastily deposited by many different persons in close proximity to the records and papers of this office in the corridors. They were nearly all moved again on the same day to prevent damage by water; before complete inventory could be made, five of the divisions of this office, with books and papers, were removed to Wright's building.

Since the fire, records and papers have from time to time been returned here from the Patent and Land Offices, thus showing that our records were to some extent confused with theirs, and it is not improbable that whatever is now missing from our files will be found in said offices or our own, when they shall have been thoroughly re-arranged.

No losses or damage to this office is known to have resulted from the storm on the 4th instant.

Very respectfully, your obedient servant,

C. W. HOLCOMB,
Acting Commissioner.

P. S.—Volume 4, "Miscellaneous Public Documents," above named, is a bound collection of printed documents arranged by the office for convenient reference, and has no special official value. The allotments (stubs of which are missing) had been transcribed in the tract-books of this office, and there is also a record of them in the General Land-Office, where patents have been issued for the same lands to the parties named in the allotments.

Respectfully,

C. W. HOLCOMB.

Hon. SECRETARY OF THE INTERIOR.



NAVY DEPARTMENT DEFICIENCIES.

MESSAGE

FROM THE

PRESIDENT OF THE UNITED STATES,

TRANSMITTING

To the House of Representatives a report of the Secretary of the Navy with reference to the existing deficiencies in the Navy Department.

OCTOBER 17, 1877.—Referred to the Committee on Appropriations and ordered to be printed.

To the Senate and House of Representatives:

I have the honor to transmit herewith a report of the Secretary of the Navy, setting forth the particulars with reference to the existing deficiencies in the Navy Department.

R. B. HAYES.

EXECUTIVE MANSION,
Washington, October 17, 1877.

NAVY DEPARTMENT,
Washington, D. C., October 9, 1877.

SIR: The following report, setting forth the amount of the existing deficiency in the Navy Department, in the "Pay of the Navy" fund, the Naval Hospital fund, and the fund for the pay of the Marine Corps, at the close of the fiscal year ending June 30, 1877, is respectfully submitted.

There are other deficiencies for sums due for construction and repairs, arising out of contracts with individuals; for clothing, steam machinery, timber, &c., for the last fiscal year, but it is deemed most advisable to reserve an estimate for these for communication at the approaching regular session of Congress, when detailed statements may be appropriately made, and when their relation to the general and current expenditures can be more readily explained.

My brief connection with this Department has enabled me to realize some of the difficulties that attend the administration of its financial affairs. They have, in some measure, grown out of the diversion of appropriations from the special objects to which they have been applied

by law and the expenditure of them for other and different objects for which appropriations have been insufficient. This practice probably had its origin in the frequent recurrence of the fact that congressional appropriations have been less than the wants of the service demanded, as indicated by the estimates, as was specially the case during the last fiscal year.

It has been supposed that necessity would sometimes justify the temporary borrowing from one fund to aid another, as where coal, provisions, &c., are purchased in foreign ports with the "Pay of the Navy" fund. But, whether this violates the spirit of the law or not, it does not seem that any such justification can exist in cases where the borrowing is designed to make up deficient appropriations for special purposes. Possibly it would make no material difference in the aggregate expenditure of the Department for any given year, provided the money was properly applied to the public service; but it would be manifestly attended with this consequence: that it would enable the Secretary of the Navy to substitute his own official discretion for the requirements of law, and, as there would be no legal limit to this discretion, deficiencies would exist or not according to his pleasure. I am unwilling to assume this responsibility, but prefer to administer the Department, so long as it shall remain under my charge, in strict obedience to the will of Congress.

Deeming it best, at the commencement of my service, to adopt this course, I have not allowed any portion of the appropriations for the present fiscal year to be expended before the year commenced. My primary object in this was to secure a system of administration by means of which the annual expenditures of the Department can be more easily and accurately ascertained, and the causes of a deficiency, when it shall occur, can be more certainly and satisfactorily known. It was believed also that better economy would be assured by this method, inasmuch as all the bureaus and branches of the Department would be held to a stricter accountability. When it is understood that money appropriated for one object shall not be expended for another, and that when it proves insufficient the object shall be abandoned until further appropriations by Congress, there will be no difficulty in fixing upon the Department the measure of responsibility contemplated by law. It is the right and duty of Congress to direct such results to be accomplished as, in its opinion, the public necessities and interest may require. It is not the right, nor is it the duty, of the Department to seek to accomplish results not contemplated or directed by Congress. The Department is the creature of the law, and exists only at the will and pleasure of the law-making power. It is responsible for not doing what the law directs to be done, but is not responsible for failing to accomplish what the law does not direct. When, therefore, just relations between Congress and the Department exist, there will be no difficulty in fixing the true measure of responsibility; upon the former for making, or omitting to make, appropriations, and upon the latter for expending, or omitting to expend them, as the law commands.

Having adopted the rule thus indicated, I found it necessary to omit to pay the officers and men of the Navy for the last quarter of the last fiscal year. As the appropriations made by Congress were insufficient for that purpose, it was impossible to make the payments without drawing upon the appropriations for the present fiscal year, in advance of the time when by law they were subject to expenditure. Deeming this impracticable, I have regarded it as the better course to treat the deficiency as belonging to the last fiscal year, so as to avoid any deficiency

for the present year, unless it shall arise necessarily out of the omission to make the necessary appropriations.

It will be readily seen that the result thus desired cannot be fully accomplished without the aid and direction of Congress, to be so rendered as to enable the business properly chargeable to the last fiscal year to be closed up as far as possible, by the payment of the existing indebtedness to the officers and men of the Navy. By this means the Department will be enabled to confine all the appropriations for the present fiscal year to the objects and within the amounts fixed by law; and if thereby some branches of the service shall suffer temporarily and some objects remain unaccomplished, it is better that they should so remain until additional appropriations are made, than that the Department should exercise the discretionary power of creating deficiencies.

The present deficiency in the fund for the "Pay of the Navy" has been continuing from year to year, running back to the time of the late war, when both estimates and appropriations were necessarily made upon vague and unreliable information. Consequently it is not chargeable to any one year, but to a series of years, and has been occasioned both by insufficient estimates and insufficient appropriations; the latter having been for eight out of the last nine years considerably less than the estimates.

By reason of the constantly-changing rates of pay of naval officers—that is, "sea-pay," "other-duty pay," "waiting orders," or "leave-pay," it has always been difficult to estimate, even since the war, with precise accuracy, the amount necessary to be appropriated for each year. The Department endeavored, in 1875-'76, to accomplish this by taking the Navy Register as the basis of calculation, and giving each officer the pay he was receiving at the date of the issue of the Register. This resulted in demonstrating that at least \$7,600,000 was required for the pay of the officers and 3,500 enlisted men, together with traveling expenses—which necessarily vary—and other proper charges against that appropriation; and the result proved that the previous estimates had been too low; lower than the law authorized and the actual necessities of the service required.

This state of facts suggests the inquiry, how has the Department been enabled to pay for a series of years a sum larger than the appropriations for the same years; that is, with a continuing deficiency? A satisfactory solution of this apparent difficulty can only be reached by understanding how, and from what appropriations, money has been placed in the hands of paymasters on foreign stations.

It has been customary to place funds from "Pay of the Navy" in the hands of our fiscal agents in London, against which our paymasters abroad can make their drafts for all money needed during their three years' cruise. That appropriation was chosen for this purpose, because it was not deemed advisable to place funds in the hands of these agents from *all* appropriations needed abroad, on account of the much larger sum it would take to make a margin on such appropriation which the paymasters might have occasion to draw against. As paymasters abroad are obliged to disburse money under many heads of appropriation, viz, for coal, equipments of various kinds, provisions, and general supplies, and as their money is all drawn and charged to them under "Pay," it becomes necessary, when their accounts are settled at the Fourth Auditor's Office, to take from the other appropriations in the Treasury the amount which "Pay" has loaned them abroad, and return it to that fund. But as this could not, up to 1872, have been done until their accounts were rendered and settled after a three years' cruise, it left

these repayments to "Pay" unadjusted for about four years. The sum of these loans must have always been large during an aggregate of four years, and if it had been possible to repay them to "Pay" *immediately*, at any time prior to the war, would probably have been sufficient for the next fiscal year without any appropriation. But during the war, when the expenditures for the Navy were so largely increased, this aggregation of unadjusted loans must have been swollen to a sum between \$15,000,000 and \$16,000,000. This inference is based upon the fact that, during the years 1861, 1862, 1863, 1864, and 1865, there was placed in the hands of naval paymasters an aggregate sum exceeding \$80,000,000. The insufficient clerical force in the Fourth Auditor's Office delayed the settlement of their accounts for two or three years after they were rendered, which did not usually take place until a two or three years' cruise had expired. So that the large loans made to other appropriations from "Pay," during the five years of the war, were not all repaid until 1870. The aggregate of repayments on account of these loans was the unadjusted balance above mentioned, or between \$15,000,000 and \$16,000,000. If, then, there be added to this whatever balance may have been on hand on June 30, 1870, and the aggregate appropriations for the years 1871 to 1876, the total aggregate amounted to a larger sum than was placed in the hands of paymasters during those years; thus enabling them to pay all charges against the fund, and leave a balance unexpended.

This suggests the inquiry: What has become of this source of supply to the depleted fund known as "Pay of the Navy?"

The answer is found in the fact that, as the number of paymasters' accounts unsettled has decreased, the unadjusted repayments have decreased also; so that when, in 1872, all the war accounts had been adjusted, the accounting-officers adopted the plan of having all the accounts rendered and settled quarterly instead of at the end of the cruise; and, consequently, repayments then kept step with the accounts settled. And thus the amount was gradually reduced to a sum sufficient only to meet the requirements of the few months which elapsed between the time when a paymaster drew his money and when his account was settled and the repayments made. This sum has been still further reduced by requiring paymasters to report monthly to the Fourth Auditor all their expenditures, from which reports all the repayments are immediately adjusted. It is believed that, by these means, most, if not all, the difficulties in the annual adjustment of this fund will be removed, so that Congress may be enabled to regulate the annual appropriations by the necessities of the service, subject only to unavoidable variations.

The amount annually due to the officers and enlisted men of the Navy is settled by statute, and the Department has no control over it. It has no such discretion as will enable it to economize in the annual expenditure, even if it should consider it desirable to do so. The amount annually necessary is capable of ascertainment by arithmetical calculation, subject only to such variations as do not materially affect the aggregate, and which may, from time to time, be provided for with reasonable and approximate accuracy by appropriations for contingencies. In order to place this fund in the condition desired, so that the annual appropriations therefor could be advisedly made by Congress, withholding the payments for the months of April, May, and June was absolutely unavoidable, unless a portion of the appropriation for the present year had been applied to that purpose. I have already stated the reasons which, in my judgment, rendered this inexpedient, and may add, with propriety, that if it had not been done the deficiency would only have been charge-

able to the present year, where it does not properly belong, instead of to the last year, where it does belong. The officers and men of the Navy have submitted to this course with a cheerfulness which indicates their respect for and confidence in the Government, notwithstanding it has subjected them to great inconvenience and, in some instances, to hardships.

The pay-rolls of the Navy, on file in the office of the Fourth Auditor, shew that there is now due, for the aforesaid last quarter of the last year, the sum of \$1,446,688.16, for which it is necessary to ask an appropriation by Congress.

There is also due for the same quarter the sum of \$311,953.53 which has been advanced for the foreign service by the financial agents of the Government in London, which is exclusive of the sum shown upon the pay-rolls. These sums added together make \$1,758,641.69. Besides this, however, there is due to officers on account of arrearages and difference of pay the sum of \$150,000, and this, added to the foregoing, will make the amount \$1,958,641.69 due to "Pay of the Navy," and necessary to be appropriated for that purpose.

The Navy Hospital fund arises out of, and is supported by, the "Pay of the Navy." It consists of sums annually set apart from the pay of the officers and enlisted men of the Navy and Marine Corps which are transferred at the end of each quarter. The non-payment to the officers for the last quarter of the last year having rendered this transfer impossible for that time, and it having been impracticable to make it for some months previous thereto, in consequence of the continuing deficiency in the "Pay of the Navy" fund, there is now due to the hospital fund the sum of \$50,000, which, in consequence of the relation between these funds, should be added to the foregoing, making a total deficiency of \$1,958,641.69 in the "Pay of the Navy" fund.

The pay of the officers and enlisted men in the Marine Corps, like that of the officers and men of the Navy, is regulated by law, there being no discretion on the part of the Department as to the amount. At the close of the last fiscal year there was due to the fund applicable to this purpose the sum of \$45,219.58, for which it is also necessary that an appropriation shall be made. This sum, added to the foregoing deficiency in "Pay of the Navy," makes an aggregate deficiency on account of the "Pay of the Navy" fund, the hospital fund, and the fund for the support of the Marine Corps, of \$2,003,861.27 to be asked of Congress at the approaching extra session.

The appropriation of these sums by Congress will, it is believed, enable the Department to avail itself more satisfactorily of the advantages arising from the more prompt settlements of the accounts of paymasters in making up its annual estimates of expenditures, and thereby enable Congress to ascertain with greater accuracy the sums annually necessary for the support of the Navy. It is believed also that it will secure greater economy in expenditures.

Respectfully submitted.

R. W. THOMPSON,
Secretary of the Navy.

To the PRESIDENT.

H. Ex. 3—2



CATHARINE E. AND SOPHIA L. GERMAN.

LETTER

FROM THE

SECRETARY OF THE INTERIOR,

CONCERNING

The destitute condition of the German children captured by Indians.

OCTOBER 25, 1877.—Referred to the Committee on Indian Affairs and ordered to be printed.

DEPARTMENT OF THE INTERIOR,
Washington, December 20, 1875.

SIR: I have the honor to transmit herewith a copy of a communication, dated the 18th instant, from the Commissioner of Indian Affairs, together with the copy of letter of Agent John D. Miles, therein noted, upon the subject of the destitute condition of Catharine E. and Sophia L. German, two white children, captured by Cheyenne Indians.

The Commissioner requests that the matter be presented with a view to procuring legislation in favor of these children similar to that provided for Adelaide and Julia German, as set forth in his communication.

The subject is respectfully presented to Congress for the consideration of that body.

I have the honor to be, very respectfully, your obedient servant,
Z. CHANDLER,
Secretary.

The SPEAKER,
House of Representatives.

DEPARTMENT OF THE INTERIOR,
OFFICE OF INDIAN AFFAIRS,
Washington, D. C., December 18, 1875.

SIR: I have the honor to inclose herewith a communication received from Indian Agent John D. Miles, dated the 6th day of October last, addressed to Enoch Hoag, superintendent of Indian affairs, inviting attention to the destitute condition of two white captive girls, Catharine E. and Sophia L. German, aged eighteen and thirteen years, respectively, the parents of whom, together with three of the children of said family, were murdered by a band of hostile Cheyenne Indians, on the 11th day of September, 1874.

By the act making appropriations for the current and contingent expenses of the Indian Department, &c., for the year ending June 30, 1876, approved March 3, 1875, (Stat. 18, part 3, p. 424,) it is provided that the Secretary of the Interior shall reserve from the portion of annuities due or to become due to the Cheyenne Indians the sum of \$2,500 for Adelaide German and \$2,500 for Julia German, two children of the family referred to, the amounts specified to be placed to the credit of the children named on the books of the Treasury of the United States, to bear interest at the rate of 5 per cent. per annum, the income from the same to be used from time to time for the benefit of the children.

In accordance with the recommendation of Superintendent Hoag, I respectfully request that the matter be presented to Congress for consideration at its present session, with a view of procuring legislation in favor of Catharine E. and Sophia similar to that provided for Adelaide and Julia German, herein described.

Very respectfully, your obedient servant,

J. Q. SMITH,
Commissioner.

The honorable SECRETARY OF THE INTERIOR.

LAWRENCE, KANS., *Tenthmonth 6th*, 1875.

I desire to call thy attention to the destitute condition of the two white captive girls, Catharine E. and Sophia L. German, aged eighteen (18) and thirteen (13) years. It is a well-known fact that the parents and three of the children of this family were murdered by a band of hostile Cheyennes, on the eleventh (11th) day September, 1874.

Two of the children of same family, rescued by General Miles in November last, were provided for by Congress at its last session by an appropriation of \$5,000. I have, therefore, to recommend that a like appropriation (\$5,000) be made for the benefit of the above-named two girls, as they are now dependent upon the charity of the people for their education and support. Thy influence is respectfully solicited.

Respectfully,

JNO. D. MILES,
United States Indian Agent.

ENOCH HOAG,
Superintendent, Lawrence, Kans.

○

BUILDINGS AT LOWER BRULÉ AGENCY, DAKOTA.

LETTER

FROM THE

ACTING SECRETARY OF THE INTERIOR,

TO THE

*House of Representatives, transmitting estimates of cost of buildings at
Lower Brulé agency, Dakota.*

OCTOBER 25, 1877.—Referred to the Committee on Indian Affairs and ordered to be printed.

DEPARTMENT OF THE INTERIOR,
Washington, December 18, 1875.

SIR: I have the honor to transmit herewith a copy of a report, dated the 17th instant, from the Commissioner of Indian Affairs, and inclosures therein noted, together with an estimate of appropriation of \$5,000 to complete the erection of buildings required at the Lower Brulé agency, Dakota.

The subject is respectfully recommended to the favorable consideration of Congress.

I have the honor to be, very respectfully, your obedient servant,

B. R. COWEN,
Acting Secretary.

The SPEAKER of the House of Representatives.

DEPARTMENT OF THE INTERIOR,
OFFICE OF INDIAN AFFAIRS,
Washington, D. C., December 17, 1875.

SIR: This office is in receipt of a letter from Thomas A. Reily, agent for the Sioux Indians at the Lower Brulé (formerly White River) agency, Dakota, (copy herewith,) calling attention to the insufficiency of the amount appropriated by the act of March 3, 1875, for the erection of the necessary buildings at said agency, which he enumerates as follows, viz: Residence for the agent, residence for physician, school-house, mess-house, six buildings for carpenter, blacksmith, farmer, engineer, sawyer, and interpreter, warehouse, smith and carpenter shops, stable, and a corral.

The amount appropriated by the act referred to (\$8,000) being insuff-

ficient to erect the required number of good, substantial buildings at said agency, I have the honor to transmit herewith an estimate of appropriation for \$5,000, which sum, with the amount already appropriated, will be required to defray the expense attending the erection of suitable buildings at said agency, and respectfully recommend that the same be forwarded to Congress for the favorable consideration of that body.

Very respectfully, your obedient servant,

J. Q. SMITH,
Commissioner.

The Hon. SECRETARY OF THE INTERIOR.

*Estimate of appropriation required to erect additional buildings at the Lower Brulé agency
(formerly White River agency,) Dakota.*

For this amount, or so much thereof as may be necessary, to complete the erection of buildings at the Lower Brulé agency, Dakota, \$5,000.

WHITE RIVER AGENCY, DAK., *December 2, 1875.*

SIR: I have the honor to request the following recommendations:

1st. That the name of this agency be changed to "The Lower Brulé Agency," Dakota Territory, or some other name by which it can be distinguished more readily from the White River agency of Colorado. Much of my official correspondence is miscarried to that point by reason of the similarity in name.

2d. That the appropriation already made for the buildings of this agency may be increased by an additional sum of five thousand dollars.

The present appropriation of eight thousand dollars will be insufficient to erect the following necessary buildings: An agency building for the residence of the agent, a residence for the physician, a school-house, a mess-house, and six other buildings for a carpenter, blacksmith, farmer, engineer, sawyer, and interpreter, together with a warehouse, a blacksmith and carpenter shop, a stable, and a corral. The building material in this vicinity consists entirely of cottonwood, and but little that is fit for saw-logs that would answer for building purposes. Buildings made of this cottonwood are of the most indifferent and unsubstantial kind, from the fact that it is always subject to so much warping, and decays twice as rapidly as pine. I respectfully and earnestly request that this may meet with your approval, and that it may receive the weight of your influence, and be urged upon Congress by the Department.

If this is done, I have no hesitancy in saying that the progress of this tribe of the Sioux Nation will not be embarrassed at the beginning of their new life at a separate agency.

Very respectfully, your obedient servant,

TOM A. REILLY,
United States Indian Agent.

Hon. E. P. SMITH,
Commissioner of Indian Affairs.

ESTIMATES OF SALARIES OF ADDITIONAL WATCHMEN
AND REPAIRS OF INTERIOR DEPARTMENT BUILDING.

L E T T E R

FROM

THE SECRETARY OF THE TREASURY,

TO THE

House of Representatives, transmitting estimates of Secretary of the Interior for salaries of additional watchmen and repairs of Department building.

OCTOBER 25, 1877.—Referred to the Committee on Appropriations and ordered to be printed.

TREASURY DEPARTMENT,
October 15, 1877.

SIR: I have the honor to transmit herewith estimates submitted by the Hon. Secretary of the Interior for salaries of twelve additional watchmen from October 1, 1877, to June 30, 1878, and for general repairs to the Interior Department building, amounting in all to \$22,211.

These estimates were not received in time to be incorporated in the printed estimates this day transmitted to Congress.

Very respectfully, your obedient servant,

JOHN SHERMAN,
Secretary.

Hon. S. J. RANDALL,
Speaker House of Representatives.

2 SALARIES OF WATCHMEN, ETC., INTERIOR DEPARTMENT.

Estimates of appropriations required for the service of the fiscal year ending June 30, 1878 by the Department of the Interior.

General object. (Title of appropriation.)	Detailed objects of expenditure and explanations.	Estimated amount which will be required for each detailed object of expenditure.	Total amount to be appropriated under each head of appropriation.	Amount appropriated for the current fiscal year ending June 30, 1878.
Salaries of watchmen	For salary of 12 additional watchmen for the Interior Department from October 1, 1877, to June 30, 1878, at \$720 per annum*..	\$6, 480	\$6, 480	\$21. 16
Repairs of the building ..	For repairs of the Interior Department building, as follows: For removal of debris and assorting metals preparatory for sale For temporary roofs on Ninth and G streets wings For temporary roofs over porticoes and stair-houses For repairs of damages on Seventh and F streets roofs For covering exposed walls and secure coping For repairing flues, securing chimney-tops, walling up connections between old and new portion of building, and necessary jobbing For 3 sets of fire-proof doors to cut off burnt portion from halls and corridors For closing up window-openings with sash and boards For 376 feet rough-hammered glass for repairs of sky-lights For repairs of damages in rooms and halls of Commissioner of Patents..... For repairs of damages in rooms and halls of Land Office For watch-boxes and walk-ways on temporary roofs For securing and removing marble ceiling in G-street portico For machinery, tools, and staging For securing northwest corner of building, in accordance with recommendation by the board of survey on Patent Office building For contingencies for repairs of gas and water pipes, re-arranging and repairs of furniture, records, &c.	2, 495 2, 840 485 1, 380 575 1, 425 225 275 94 1, 540 1, 380 82 285 300 350 2, 000	15, 731	

* These extra watchmen are rendered necessary and imperative owing to the exposed condition of the Department since the fire.

Approved.

C. SCHURZ.
Secretary.

COMMISSIONS TO EXAMINE CERTAIN CUSTOM-HOUSES OF
THE UNITED STATES.

L E T T E R

FROM

THE SECRETARY OF THE TREASURY,

TRANSMITTING,

*The report of certain commissioners appointed to examine custom-houses,
and recommending appropriations for their pay.*

OCTOBER 25, 1877.—Referred to the Committee of Ways and Means and ordered to be printed.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, D. C., October 19, 1877.

SIR: During the past six months it has been found necessary to appoint commissions, each composed of two private citizens and one officer of the Government, to examine the method of business at many of the principal custom-houses in the United States, and other questions relating to the revenue.

Commissions of this character were appointed to examine the workings of the custom-houses at New York, Philadelphia, San Francisco, and New Orleans; and, in addition, committees were appointed at Boston and Baltimore to investigate the subject of the proper rates of drawback to be allowed on sugars manufactured in the United States, out of foreign imported sugars, subsequently exported. I inclose copies of their various reports.

In view of section 3681 of the Revised Statutes, I deem it doubtful whether this Department has authority under the law to compensate the members of these commissions, not in Government employ, for the services performed. I am of opinion that they should be compensated at the rate usually paid bureau-officers of this Department, say at the rate of \$4,500 per annum.

To pay all the members of these commissions not in Government employ, at the rate above mentioned, would require about \$10,000.

I have, therefore, the honor to suggest that an appropriation in that amount, or so much thereof as may be necessary, be made for the purpose mentioned.

JOHN SHERMAN,
Secretary.

F Hon. SAMUEL J. RANDALL,
Speaker of the House of Representatives, Washington, D. C.

REPORTS ON SUGAR DRAWBACK, BY COMMISSIONS AT NEW YORK, BOSTON, AND BALTIMORE.—1877.

NEW YORK, *June 14, 1877.*

SIR: In obedience to your letter of May 21, we have considered "the subject of drawback on the exportation of refined sugar produced from imported raw sugar," and have the honor to say that—

Your letter, in stating the rates of drawback as prescribed by the Secretary of the Treasury on the 17th of December, 1875, and in force to-day, calls attention to the fact that these rates were adopted by the Department after an examination of the subject by a commission composed of one officer of the customs and two experts in sugar-refining; and also to the fact that reports have been received, from time to time, stating that the drawback rates thus prescribed are in excess of the duties paid on the proportional amount of raw sugar imported. A copy of the report of that commission, dated November 12, 1875, and of the testimony taken by it, has been furnished to us, as well as a copy of the official report made to your Department March 31, 1877, by Treasury Inspector Davis, through Special Treasury Agent Bingham, in regard to existing drawbacks. We have also had access to the files of the custom-house at this port.

The report of Treasury Inspector Davis shows that the rates of drawbacks heretofore fixed by the Department have been as follows, viz:

From August 5, 1861, to March 29, 1875:

On sugar, refined crystalline, 3 cents per pound.

On sugar, B and C, lower grades, 2 cents per pound.

On sirup, product of sugar, 5 cents per gallon—subject to the retention by Government of 10 per cent. of the amount of such drawback.

From March 29, 1875, to December 17, 1875, the rates were:

On refined crystalline sugar, $3\frac{1}{2}$ cents per pound.

On refined B and C, lower grades, $2\frac{1}{2}$ cents per pound.

On sirup of sugar, sugar-house molasses, $6\frac{1}{2}$ cents per gallon—subject to retention by the Government of 1 per cent. of the amount of such drawback.

From December 17, 1875, and in force now, the rates are:

On loaf, cut-loaf, crushed, granulated, and powdered refined sugar, stove-dried, &c., 3.60 cents per pound.

Refined white coffee-sugar, above No. 20, D. S., 3 cents per pound.

All grades refined coffee, No. 20, D. S., and below that number, $2\frac{1}{2}$ cents per pound.

On sirup, $6\frac{1}{2}$ cents per gallon—subject to retention by the Government of 1 per cent. of the amount of such drawback.

The exportation of refined sugars under drawback from the port of New York, as shown by the custom-house files, was as follows: In 1873, about 13,000,000 pounds; 1874, about 13,000,000; 1875, about 56,000,000; 1876, about 40,000,000; and from January 1 to May 31, 1877, five months, 23,500,000 pounds, or at the rate of 56,400,000 pounds for the year 1877.

In connection with this statement of exports it should be stated that the total quantity exported for drawback during the three months of January, February, and March, 1875, was only 3,368,000 pounds, being less than one-sixteenth of the total quantity exported in that year, and that the increased rate of drawback took effect March 29, 1875. Also, it is stated by the Auditor that five-sixths, say $83\frac{1}{6}$ per cent., of the sugar so exported obtained the highest rate of drawback fixed by the Depart-

ment. The increase in these exportations immediately consequent upon the fixing of the increased rate of drawbacks by the Department, on the 29th of March, 1875, is a somewhat significant fact in the consideration of the matter submitted to us. It would seem, therefore, as important, as you state it to be, to ascertain whether the rates adopted by the Department as drawbacks do or do not in fact really include a bounty.

The commission referred to, in its report dated November 12, 1875, based its estimate for drawback-allowance upon the presumption that the refiner used sugars of Nos. 10 to 13, D. S., and therewith produced of hard or stove-dried refined sugar only 60 per cent. If refiners used sugars of this standard at that time, in the production of refined sugars, it is clear that sugars of this standard are not now used by the refiners, for of over one billion pounds sugar imported into the port of New York in the year ending April, 1877, only 55,000,000 pounds were between Nos. 10 and 13, D. S., 970,000,000 being below No. 10, of which about 572,000,000 were below No. 7, D. S.

The importation of centrifugal sugars of highest crystallization, test, and value, but colored down so as to meet and pass at the very lowest rate of duty imposed on sugar by the present tariff, must necessarily exist and increase while the classification of duties upon color-standard under this tariff remains unchanged by Congress. The commission in 1875 presented to the Department valuable evidence upon this subject of classification, and the evidence otherwise before the Department will confirm the fact, that the highest grades of sugars may be imported under the lowest rate of duties, and that all such enter into refining here.

While, however, the present committee regard it as entirely beyond its province to inquire whether such existing classification can be justified by any commercial reasons, it does seem to be its duty while considering drawbacks (a subject properly within the control of the Department) to point out that inasmuch as nearly, if not quite, all centrifugal sugars are worked by the refiner, the estimate adopted by the commission of 1875 of 60 per cent. of hard refined as the product of Nos. 10 to 13, Dutch standard, is, in their opinion, at present a very low estimate indeed.

The following is the official custom-house statement of the quantity of sugars and melado entered for direct consumption at the port of New York from the 1st of April, 1876, to the 1st of April, 1877, (one year):

	Pounds.	Rate of duty.	Amount of duty.
		<i>Ots. per pound.</i>	
SUGAR—Not above No. 7, D. S.	571,909,479	2.1875	\$12,510,519 84
No. 7, not over No. 10, D. S.	397,925,423	2.50	9,943,135 58
No. 10, not over No. 13, D. S.	55,036,603	2.8125	1,547,904 43
(Average duty, 2.31½ cents.)			
No. 13, not over No. 16, D. S.	450,574	3.4375	15,498 47
Over No. 20, refined, &c.	12,303	5	610 15
	1,025,334,282		24,022,658 49
MELADO.....	52,163,332	1.8750	978,062 47
	1,077,497,614		25,000,720 96

Average duty on all sugar, 2.34½ cents.

Duty on melado, 1.8750 cents.

Average duty on all sugar and melado, 2.32½ cents.

Average duty on all below No. 10, and including melado, 2.2930 cents.

The total quantity classified for duty as above No. 10, D. S., being thus seen to be only 55,499,380 pounds, or only about one-twentieth part of the whole importation, and as within this small quantity is included all

the light-colored sugars passed into grocery and other consumption without refining, it is evident that the basis of calculation adopted by the Department for drawback on refined is too high in proportion to the import duties collected on raw sugars.

The report of Treasury Inspector Davis states as follows:

Of a long list of exports for drawbacks from this port (Boston, 31st March, 1877) which I have on my table, none is from raw sugar paying a duty above No. 10, about one-half is from sugar below No. 7, the other from No. 7 to 10.

The average of which will be seen to be 2.34½ cents per pound. All the melado imported, as is well known, is used by refiners, and to a large extent is made to produce granulated (hard) refined sugar. The duty thereon is 1.875 cents per pound. The average duty actually collected by the Government at this port on *all* sugar (including the highest qualities, and excluding melado) is thus shown to be 2.34½ cents per pound. The committee are of opinion, therefore, that the drawbacks on sugar should be, and they recommend, the following:

On loaf, cut-loaf, crushed, granulated, or powdered refined sugar, stove-dried, 3 cents per pound.

On coffee sugar, above No. 20, D. S., in color, 2½ cents per pound.

On coffee sugar, No. 20 and below that number, D. S., 2.10 cents per pound.

On sirup, 5½ cents per gallon.

Reference to the report by the late commission, in 1875, would show the adaptation of these rates to the practical results of the refiner. This report states that, out of every 100 pounds of raw sugar, there is produced for drawback 60 pounds hard or stove-dried refined sugar, 23.60 pounds soft and inferior sugar, 11.50 pounds sirup, (one gallon,) 4.90 pounds waste = 100.

Hard or stove-dried refined sugar made from Nos. 10 to 13, duty on which the report of the committee of 1875 is based, is.....	2.8125
Actual duty collected, exclusive of melado.....	2.3425

Difference.....	0.47
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This difference, 0.47 cent, is 16.711 per cent. of 2.8125.

3.60 less 16.711 per cent.....	2.998404
3.00 less 16.711 per cent.....	2.498670
2.50 less 16.711 per cent.....	2.082225
6.25 cents per gallon less 16.711 per cent.....	5.205563

60.00 pounds—2.998404 per cent.....	179.904240
12.00 pounds—2.498670 per cent.....	29.984040
11.60 pounds—2.082225 per cent.....	24.153810
11.50 pounds sirup—5.205563 per cent.....	5.205563
4.90 pounds waste.....	

100.00 pounds.....	239.247653
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Retention on sugar.....	234
Retention on sirup.....	52.296

Less.....	239.25
	2.86

	236.39
Duty.....	234.25214

It remains to be considered what is the amount of percentage on drawback-proportion to be retained by the Government under the law. Treasury Agent Davis, in his report of March 31, 1877, refers the Depart-

ment, on this subject, to section 3019 of the Revised Statutes and the proviso of section 3 of the act of March 3, 1875; and he also refers to the general regulations under the revenue and collection act of the United States of 1857, page 397, article 754, in respect to the definition of the term "refined sugar," as laid down by the Supreme Court of the United States and found in 7 Peters, pages 404 to 409, in *Barlow vs. United States*. It appears to this committee that the decision of the Department in regard to the percentages to be retained on drawbacks should be made in accordance with what it may find to be the law upon the subject.

We return the papers, and have the honor to be, sir, your obedient servants,

JOHN JAY.
LAWRENCE TURNURE.
J. H. ROBINSON.

Hon. JOHN SHERMAN,
Secretary of the Treasury.

REPORT OF THE BOSTON COMMITTEE.

BOSTON, July 21, 1877.

SIR: The undersigned committee, appointed under your instructions of the 21st of May last, to ascertain and report the proper drawback to be paid on the exportation of refined sugar manufactured from imported and duty-paid raw material, respectfully beg leave to report as follows:

First. The act of Congress (section 3019 R. S.) under which drawbacks are paid expressly stipulates that such drawback shall not exceed the duties paid on the raw material from which the manufactured article is produced.

The committee have endeavored first to ascertain as near as possible the duties actually paid on imported raw sugars. Finding that the classification for assessing the duty varies materially in the different ports, and that the rates were not uniform, the only proper method seemed to be to take the aggregate imports in all the ports of the country, and the average duty paid upon the whole, as a basis for drawback.

The result of this calculation shows an average of about 2.37½ cents per pound, which seems a very low average when compared with that made by the New York committee, as per their report of November, 1875.

We find the average rate of duty upon the importations for 1874, if classified according to the rates of duty now assessed, would average on the importations of that year 2.52 cents per pound, a difference in the periods quoted by the two committees of 14½ cents per 100 pounds. In order to illustrate more fully the change in the classification, we present in detail the classifications made by the commission in 1875 and that made by your committee from returns furnished from the Treasury Department upon the importations for the fifteen months ending March 31, 1877:

Import and classification for 1874, as furnished by the New York committee.

	Pounds.	Per cent.	Per cent.	Am't of duty.
Not above No. 7	253,201,748	1½ and 25	16.753	\$5,538,798 25
Over 7 and not above No. 10.....	963,673,857	2 and 25	63.771	24,096,846 42
Over 10 and not above No. 13.....	264,668,066	2½ and 25	17.510	7,443,789 35
Over 13 and not above No. 16.....	27,619,642	2½ and 25	1.897	949,425 19
Over 16 and not above No. 20.....	1,904,343	3½ and 25	0.132	77,445 19
Above No. 20, and refined	187,259½	4 and 25	0.012	9,362 95
Total	1,511,456,915½	Average about 2.52		39,115,657 35

Import and classification for fifteen months ending March 31, 1877, that have gone into consumption.

	Pounds.	Per cent.	Per cent.	Am't of duty.
Not above No. 7.....	835,511,651	1½ and 25	46.53	\$18,276,817 36
Over 7 and not above No. 10.....	833,995,645	2 and 25	46.44	20,649,891 12
Over 10 and not above No. 13.....	119,645,638	2½ and 25	6.66	3,365,033 57
Over 13 and not above No. 16.....	6,024,745	2½ and 25	0.33	207,100 61
Over 16 and not above No. 20.....	422,463	3½ and 25	0.02	17,192 56
Over 20, and refined.....	23,331	4 and 25	0.001	1,166 55
Total	1,795,623,473	Average about 2.37		42,717,171 77

Had the sugars in the last period been classified the same as those of 1874, the duties would have amounted to the sum of \$45,249,711.51, showing a loss from vicious classification of \$2,532,539.74 to the revenue.

From the preceding tabular statement it will be observed that about 46½ per cent. of the sugars are classed as not over No. 7, and 46½ per cent. as not above No. 10, leaving but 7 per cent. classed as over No. 10—a result which surprised your committee, in view of the classification of 1874. Your committee are fully satisfied, from their long familiarity and general knowledge of the sugars imported, that there has been no material change in quality or color in the sugars imported, except such change as may have occurred through artificial coloring.

Your committee have had before them all the refiners of Boston, and have taken their testimony under oath, with the distinct understanding that it was not to be made public. From their testimony, which is herewith inclosed, your committee find the average out-turn of refined sugars, of all grades, to be about 80 per cent. of the weight of raw sugar used; and of this product the average yield of hard sugar in Boston is but 41½ per cent. We have assumed, therefore, the fair average product of hard sugars, as the refineries are generally worked, (taking the fair average of sugars imported and used in refining, of which not over 20 per cent. will class above No. 10,) to be 50 per cent. of hard sugar, 15 of soft white sugar over No. 20, and 15 per cent. of yellow below No. 20, with 15 per cent. of sirup and 5 per cent. waste. These proportions of refined sugar we believe to be as nearly equitable as is practicable between the exporters and the Government; and by fixing the drawback on hard sugars at 3.18 per pound, on soft white above 20 at 2.58 per pound, on yellow below No. 20 at 2.08 per pound, and on sirup at 6½ cents per gallon, the aggregate does not exceed the average duties paid on the raw sugars.

50 per cent. hard sugars, \$3.18.....	\$159 00
15 per cent. soft white, \$2.58.....	38 70
15 per cent. yellows, \$2.08.....	31 20
80 per cent. of sugar, 15 pounds sirup, 11½ cents per gallon, at 6½ cents per gallon.....	8 15

Your committee are aware they have made the out-turn of refined sugars somewhat less than that reported by the New York refiners to the New York commission, but these refiners distinctly stated in their testimony that the yield of their refineries was the result of the working of higher classes of sugars, say Nos. 10 to 13, Dutch standard, while our table is based upon the testimony of refiners who used a lower grade of sugar, say 7 to 10 generally, and the average of the duties paid upon all the raw sugars imported; and your committee believe that, under an honest classification, fully 80 per cent. of these raw sugars must be not over No. 10 of the Dutch standard.

In this connection the committee beg leave to call your special attention to the very low classification of the dutiable sugars during the last period of fifteen months, ending March 31, 1877, as compared with the previous twelve months, and to add that they consider the assessing of duties by classification upon the Dutch standard as unwise, and liable to permit fraud or engender collusion between samplers and importers, in order to get the foreign article coming to this country assessed at the lowest rate of duty. They also believe that this mode of classification has tended to the use of artificial coloring for the same purpose, and that this latter practice has already been resorted to to a very considerable extent, and will be largely increased in the future unless immediate steps are taken to prevent it.

Your committee are informed that large contracts have already been made in Europe for beet-sugar, to be delivered this autumn, artificially colored, so as to be entered and passed at the lowest rates of duty. In order to protect the revenue from this evasion of duty, your committee recommend that, at the extra session of Congress to be convened in October, a special act be passed that an additional duty of $33\frac{1}{3}$ per cent. be assessed, over and above any existing rates of duty, on all artificially colored sugars.

Further, your committee beg leave to add that the classification by what is known as Dutch-standard numbers was adopted in Holland many years since, and was considered applicable to clayed sugars only, of which description the island of Java then made their entire crop. Cuba, Manila, Brazil, and other countries then made nearly all their sugars by this process, and the classification by numbers, so long as this process prevailed, was a fair index to the value of the sugar. Since then the manufacture of what is called muscovado sugars has largely taken the place of clayed sugars, and a large proportion of these are packed in hogsheads, and any one familiar with these sugars must be aware that samples can be drawn from different sections of the same cask that will vary from four to five numbers in color; that is, one sample may turn out not above No. 7, and another sample from a different part of the same cask may show No. 12 or 13. Hence it is evident that the attempt to classify muscovado sugars, and assess duties by the Dutch-standard numbers, is a very uncertain and unreliable one, and ought to be changed.

Your committee are also of the opinion that any attempt to fix the value for duty by polarization would prove equally unreliable. Your committee, therefore, strongly recommend that, in lieu of the present rates of duties by classification by the Dutch standard, there should be but one rate on all raw sugars not refined, the duties to be fixed at say from 2 to $2\frac{1}{2}$ cents per pound, and on refined sugars 4 cents per pound, with no percentage added as at present. This would establish a uniform rate of duty at all the ports of the United States, whereas under the present system the classification varies in the different ports, and the rate of duty is not uniform.

In reaching these conclusions your committee have been compelled to follow the figures representing the importations and classifications of the various sugars imported, and are well aware that the changes recommended in the drawbacks will, in some cases where sugars are honestly classified and weighed, fail to reimburse the honest refiner to the extent of the duties paid. But your committee fail to discover any method by which this can be obviated. The importations of the country must be taken as a whole, and as a whole no other result would seem possible than the one the committee have reached.

In this connection it is proper for the committee to state that several matters have been brought to their attention regarding the practices at some other ports, and these will be made the subject of a special report by Messrs. Shelton and Pease, of the commission; Mr. Simmons, the other member, as collector at Boston, desiring to be relieved from any report which might seem to censure or criticise the actions of customs officials elsewhere.

In conclusion, your committee desire to state that they have received various questions and statements from parties outside of the United States, showing a great desire to aid the committee in their investigation and conclusions; but, after careful investigation by the committee and by experts, in whose statements complete confidence is reposed, they find the conclusions of these outside parties so widely different from results obtained by refiners in this country as to be of very little practical value to the committee in arriving at the conclusions expected to be reached by this commission.

Very respectfully, your obedient servants,

PHILO S. SHELTON,
FREDERICK PEASE,
W. A. SIMMONS,

Committee.

Hon. JOHN SHERMAN,

Secretary of the Treasury, Washington, D. C.

REPORTS OF THE BALTIMORE COMMITTEE.

CUSTOM-HOUSE, BALTIMORE, MD.,

Collector's Office, July 9, 1877.

SIR: Referring to the question reserved in the unanimous report addressed you to-day by the committee, we have the honor to state that from our experience in the sugar importing and refining business, and our knowledge of the conditions of our own and the foreign sugar markets, we are of opinion that the relatively high cost of vacuum-pan raw sugars (averaging as they do about one cent per pound more in value than muscovado sugars) is in itself a sufficient safeguard against any abuse of the present drawback regulations.

We therefore respectfully recommend that the existing rates of drawback on sugars and sirups produced from any imported raw sugars be left unchanged.

Respectfully, yours,

ROBERT A. FISHER,
T. P. THOMPSON,

Of the Committee on Sugar Drawbacks.

Hon. JOHN SHERMAN,

Secretary of the Treasury, Washington, D. C.

CUSTOM-HOUSE, BALTIMORE, MD.,
Collector's Office, July 9, 1877.

SIR: Referring to the question reserved in the unanimous report addressed you to-day by the committee on sugar drawbacks, in session at this port, I have the honor to state that, in view of the results obtained from the application of the existing rates of drawback to the yield exhibited under No. 8 in the table annexed to the committee's report, I am of opinion that the allowance of drawback at the present rates on hard sugars, which may be produced by refineries using vacuum-pan raw sugars, is incompatible with the provisions of the drawback-law and a due regard for the safety of the revenue, and that a more reliable safeguard is necessary than the ever-varying conditions of the market.

Basing my calculations on the possible production of hard sugars from vacuum-pan raw sugars, as stated by one of the most experienced refiners in this country, (see testimony, page 31,) I respectfully recommend that for the hard sugars produced wholly or in part from vacuum-pan raw sugars $\frac{1}{1000}$ of a cent on each per centum of the vacuum-pan sugars used be deducted from the present rate of $3\frac{60}{100}$ cents per pound.

Very respectfully,

S. N. BUYNITZKY,
Of the Committee on Sugar Drawbacks.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

CUSTOM-HOUSE, BALTIMORE, MD.,
Collector's Office, July 9, 1877.

SIR: The undersigned committee, appointed by the collector of customs at this port, in pursuance of your instructions of May 23 last, to re-examine and report upon the subject of drawbacks payable, under the provisions of section 3019 of the Revised Statutes, on exportation of sugars and sirups refined in the United States from imported raw sugars, have the honor to submit the following:

From statements made under oath in October, 1875, by a number of leading refiners in this country before the New York committee on sugar drawbacks, and from such additional information as we have been able to procure by correspondence with the affiants, we have compiled a tabular exhibit, which is herewith respectfully submitted as part of this report, and which we trust will be found to contain sufficient data in support of the conclusions reached by us in regard to the principal object of the present examination, as indicated by the instructions above referred to.

The affidavits on which our tabular exhibit is mainly based are therein referred to by special serial numbers in the first left-hand column; the same column exhibits the class of raw sugars operated upon; the second, the yield in pounds of refined sugars and sirups obtained from each hundred pounds of raw sugars; the third, the existing rates of drawback; the fourth, the amounts of drawback resulting from the multiplication of the given quantities of refined sugars and sirups by said rates. From the information in our possession we have been able to give in the fifth and last column the exact amount of duty paid on each hundred pounds of the sugars operated upon in only four cases out of the fourteen included in the exhibit, but from the description of the raw sugars in column one, and a comparison of the yields in column two, in

the remaining ten cases, with those in the said four cases, a very near estimate may be reached of the probable amount of the duty actually paid in each case.

After a strict analysis of the exhibit compiled by us, and a careful examination of the facts appearing from the correspondence herewith submitted, and of all the facts known to us in regard to the production and exportation of refined sugars, we have reached the following conclusions:

1. That the amount of drawback paid under existing rates on refined sugars and sirups exported since 1875 must have been in the aggregate, even apart from the percentage of the legal retention, somewhat less than the amount of the duties collected on the raw sugars from which the exported sugars and sirups were produced.

2. That the existing rates of drawback on the refined soft sugars and the sirups have in no case resulted in an excess of drawback over the duty paid on the imported sugars used.

3. That of the fourteen refiners whose operations in 1875 are exhibited in our table only one (referred to by No. 8) was able, by using Cuba centrifugals and other raw sugars of exceptional richness, to turn out such a proportion of hard sugars as to render possible an excess of drawback of about 8 cents per hundred pounds of the raw sugars operated upon.

The conclusions thus reached, after most careful investigation, are amply borne out by the commercial results of the drawback as it exists. In the period of the largest exportation of refined sugar, (the fiscal year ending June 30, 1876,) of the amount collected from duties on raw sugars and melados—\$39,438,418—the amount paid out in the shape of drawbacks was \$2,609,073, or only 6.61 per cent. To any one conversant with the sugar trade of this country, cognizant of the skill, intelligence, and resources of those engaged in the refining business, a bounty, if such a thing existed, even if only amounting to an eighth of a cent per pound, would certainly be sufficient to induce some, at least, of the largest refiners to dedicate themselves exclusively to this branch of manufacture. This is notoriously not the case. The facts clearly show that the exportation of refined sugar is not only, under the most favorable circumstances, moderate, but purely sporadic, occurring only when its market-value sinks below the parity of the London market, the controlling sugar market of the world.

In view of these conclusions, we respectfully recommend that the present rates of drawbacks be left unchanged for all sugars and sirups produced by refineries using exclusively raw sugars boiled under ordinary atmospheric pressure.

On the question, however, as to whether, in view of the possible excess of drawback on products of refineries using vacuum pan and centrifugal raw sugars, any modification of the existing rates may be advisable, we were unable to agree, and beg leave to submit separate reports.

Very respectfully,

ROBT. A. FISHER,
S. P. THOMPSON,
S. N. BUYNITZKY,

Committee.

HON. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

REPORT OF SPECIAL-INSPECTOR DAVIS.

OFFICE OF SPECIAL AGENT TREASURY DEPARTMENT,
Boston, Mass., March 31, 1877.

DEAR SIR : The matter of the rates of drawback of duties on refined sugars, which we have had under discussion for some time past, I have carefully looked over, and have been aided by the extracts from the Commissioner's report to the Department which you obtained from the Secretary's office.

I am convinced that the Government is suffering great loss, under the present regulations of the Department, through the excessive and disproportionate drawback allowances. Section 3019 of the Revised Statutes provides "that there shall be allowed on all articles wholly manufactured of materials imported, on which duties have been paid, when exported, a drawback equal in amount to the duty paid on such materials, and no more, to be ascertained under such regulations as shall be prescribed by the Secretary of the Treasury. Ten per centum on the amount of all drawback so allowed shall, however, be retained for the use of the United States." * * *

A proviso in section 3 of the act of March 3, 1875, provides "that the drawback on refined sugars exported, &c., only 1 per centum of the amount so allowed shall be retained." * * *

The rates of drawback have been from August 5, 1861, to March 29, 1875, as follows :

Sugar, refined crystalline, 3 cents per pound.

Sugar, refined B and C, lower grades, 2 cents per pound.

Sirup, product of sugar, * * 5 cents per gallon.

March 29, 1875, to December 17, 1875, (not printed :)

Refined crystalline sugar, $3\frac{3}{4}$ cents per pound.

Refined B and C, lower grade sugar, $2\frac{1}{2}$ cents per pound.

Sirup of sugar, sugar-house molasses, $6\frac{1}{4}$ cents per gallon.

December 17, 1875, and now in force :

Loaf, cut loaf, crushed, granulated, and powdered refined sugar, stove-dried, &c., 3.60 cents per pound.

Refined white coffee, above No. 20, 3 cents per pound.

All grades refined coffee, No. 20 and below, $2\frac{1}{2}$ cents per pound.

Sirup, * * $6\frac{1}{4}$ cents per gallon.

It will be observed that, although by law the drawback allowance is limited to, and therefore to be determined by, the amount of duty paid on the imported material from which the article in question is produced, the rates fixed by the Department, if not wholly arbitrary, are arranged without reference to the grade or quality, or dutiable color rather, of the imported article of which the refined sugar is the product.

The report of the committee, upon which I understand the present rates of drawback were based, contains the following statements :

The product of well-regulated refineries in hard and stove-dried sugars is 60 per cent., and in soft sugars of inferior quality 23.60 per cent., and in sirup $11\frac{1}{4}$ per cent., and waste 4.9 per cent.; also in soft sugars from 7 to 10 D. S.; 70 pounds white coffee above No. 20, $13\frac{1}{4}$ pounds refined below 20, and $11\frac{1}{4}$ pounds sirup.

The duties assessed on the raw sugar vary according to its color. It is not rated by the quantity of saccharine it contains. The present rate is :

No. 1, below No. 7, .021875 cent per pound.

No. 2, Nos. 7 to 10, .025 cent per pound.

No. 3, Nos. 10 to 13, .028125 cent per pound.

No. 4, Nos. 13 to 16, .034375 cent per pound.

No. 5, Nos. 16 to 20, .040625 cent per pound.

No. 6, above 20, .05 cent per pound.

The idea of making two or more kinds or grades of sugar from one boiling may be practical to the refiners. An article on sugar-refining in a noted encyclopedia says that the liquor drained from the cones and that expelled from the centrifugals still contain a little sugar, but not enough to pay the expense of saving it, and is sold as sirup.

Now supposing that 3.60 cents per pound is the true rate on the highest grade, and inflexible, being based upon the rule that the yield in refined sugars is with even step, or in just proportion to, the changes in the tariff on raw sugar based upon color, the exporter could draw-back for 60 pounds refined at 3.60 cents from each 100 pounds of an importation of No. 1 above, and 40 pounds, including the waste, would be on the market free of duty, except $2\frac{3}{4}$ cents on each 100 pounds. The proportionate increase of refined, if based on duty paid, would be :

No. 1, 60 pounds, duty on 100 pounds, \$2.18 $\frac{3}{4}$.

No. 2, 69 $\frac{1}{2}$ pounds, duty on 100 pounds, \$2.50.

No. 3, 78 $\frac{1}{2}$ pounds, duty on 100 pounds, \$2.81 $\frac{1}{2}$.

No. 4, 92 $\frac{3}{4}$ pounds, duty on 100 pounds, \$3.43 $\frac{3}{4}$.

No. 5, 112 $\frac{3}{4}$ pounds, duty on 100 pounds, \$4.06 $\frac{1}{4}$.

No. 6, 130 $\frac{3}{4}$ pounds, duty on 100 pounds, \$5.

Again, suppose there is produced, as said, 60 pounds hard, 23.60 pounds soft, and 11 $\frac{1}{2}$ pounds sirup, to each 100 pounds; 60 pounds at 3.60 cents, \$2.16; 23.60 pounds at 2 $\frac{1}{2}$ cents, 59 cents; 11 $\frac{1}{2}$ pounds at 6 $\frac{1}{4}$ cents, gallon of 10 pounds, 7 cents—\$2.82; being 63 $\frac{1}{4}$ cents more than the duty paid on 100 pounds No. 1, above, 32 cents more than on No. 2, and about the amount on No. 3.

Now apply this No. 3 (which is equal as applied by the committee) to the pro-rata rate, 60 pounds being the product of hard sugar, and at its fixed rate at 3.60 cents per pound, then we have 60 pounds at 3.60 cents, amounting to \$2.16; the duty on the raw material is \$281.25; then as 216 is to 281 $\frac{1}{4}$, so is the number of pounds of the product in hard refined (60) to the number of pounds of the raw material from which it is manufactured. The result is 78.1 pounds, leaving 21.9 pounds of raw to make 23 pounds soft refined under No. 20, and 11 $\frac{1}{2}$ pounds sirup.

As to the product of soft sugar, as stated above, 70 pounds above No. 20, 13 $\frac{1}{2}$ pounds below No. 20, and 11 $\frac{1}{2}$ pounds sirup, from each 100 pounds raw sugar.

70 pounds, at 3 cents.....	\$2 10
13 $\frac{1}{2}$ pounds, at 2 $\frac{1}{2}$ cents.....	33 $\frac{1}{4}$
11 $\frac{1}{2}$ pounds sirup, at 6 $\frac{1}{4}$ cents, per 10 pounds to gallon, 7.....	2 50 $\frac{1}{2}$
The duty on 100 pounds, under No. 7.....	2 18 $\frac{1}{2}$
The duty on 100 pounds, Nos. 7 to 10.....	2 50

In one case the drawback would be 22 cents more than the duty paid; the other just a shade over.

Now, if the three-cent rate is correct, we have in the case of 7 to 10 raw sugars this proposition: 70 pounds at 3 cents, \$2.10; then as 210 is to 250, so is the number of pounds the product in refined sugar above No. 20 (70 pounds) to the number of pounds of the raw material from which it is manufactured; the result is 83 $\frac{1}{2}$ pounds, leaving 16 $\frac{3}{4}$ pounds Nos. 7 to 10 to make 13 $\frac{1}{2}$ pounds refined sugar below No. 20, and 11 $\frac{1}{2}$ pounds sirup.

Thus it is easily seen that no fixed rate will offer proper protection to

the revenue unless it is based, in each instance, upon the known grade and polarity of the raw material.

It is a well-known fact that some sugars bearing the same color will produce more refined sugars than others.

As the coloring of raw sugars, to bring down the classification, is said to be resorted to, that should be, with the other reasons, a bar to this fixed-rate system. Of a long list of exports for drawback from this port which I have on my table, none is from raw sugar paying a duty above No. 10; about one-half is from sugar below No. 7; the other from 7 to 10.

I also observe, from careful examination of the exports at this port of sugar for drawback, the exportations are almost exclusively of the highest grade.

One noticeable feature in this business is, that our refiners have such facilities as to completely close the refineries in Canada, where the duty on raw sugars is lower than with us. This, of course, does not affect us unless the rate is such as will take it out of our Treasury and give it to the consumers in Canada.

To get at a sort of a basis for a proper rate, I have prepared a blank circular, to be filled up by each of the refiners, showing the actual yield from the various kinds and grades of raw sugar used by them.

One other matter in this relation I think worthy of consideration, that is, the amount to be retained by the United States upon the payment of drawback.

Section 3019 of the Revised Statutes provides for the retention of 10 per cent. on all exportations, and the proviso of section 3 of the act of March 3, 1875, provides 1 per cent. on refined sugars.

The question, then, is, is the soft, moist, partially-refined sugar the refined sugars of the tariff?

Would this class of yellows, say Nos. 15 and 16, on importation, pay according to color 3.43 cents per pound, or the better grades, 16 to 20, a duty of $4\frac{1}{8}$ cents per pound, or would both be classed as refined, dutiable at 5 cents per pound?

Prior to the act of August 5, 1861, no sugars manufactured in the United States from foreign material, except refined sugars, could be exported for the benefit of a drawback of duty.

The "General Regulations under the Revenue and Collection Act of the United States of 1857," page 397, article 754, referred to the definition of the term "refined sugar," as given by the Supreme Court of the United States, and prohibited the making allowances on exportation of coffee-crushed sugars, and other sugars of inferior grades and but partially refined.

The definition alluded to is found in 7 Peters, articles 404-409, Barlow vs. United States.

The article in question was what was then generally called bastar or bastard sugar.

I see in a cyclopedia that "coffee-sugars" of the present day were formerly called bastar or bastard sugars.

A most thorough and careful investigation of this important matter of the drawback rates, requiring, of course, a considerable time, will, I am sure, be fruitful of good results to the Government.

I am, very respectfully, your obedient servant,

J. W. DAVIS,
Special Inspector.

X. W. BINGHAM, Esq.,
Special Agent, Treasury Department.

FIRST REPORT OF THE COMMISSION ON THE NEW YORK CUSTOM-HOUSE, AND INSTRUCTIONS RELATING THERETO.

CUSTOM-HOUSE, NEW YORK, *May 24, 1877.*

SIR: In your letter of the 23d of April, requesting us to make a thorough examination into the conduct of the business at the New York custom-house, you specified the following among the first points to be embraced in the examination:

Whether the force now employed in the various branches of the customs service at New York, including the naval office, surveyor's office, and the appraiser's department, is in excess of the actual needs of the service. * * * The number of hours they are employed; whether such hours can be properly increased.

In response to this instruction, the commission respectfully report that, with reference to the reduced business of the custom-house at the present time, and to the proposed increase in the hours employed, and to the proposition that the best men in the service shall be retained, the force now employed in the custom-house, the naval office, and the surveyor's office, numbering, together, 1,038 men, (excluding for the present the appraiser's department,) may be safely reduced in numbers by about twenty per cent.

For the general character of the reduction which has presented itself to the commission, they beg to refer to the memorandum annexed, marked A, with the suggestion that the person or persons who may be designated by the Department to reduce the force will be required to give to the character of the reduction in each division a more searching and minute consideration than the commission, under your varied instructions, have been able to give to this branch of the subject.

It will be observed that the commission propose the abolition of the office of deputy collector at large, which is now vacant, and the office of other deputy collectors and acting deputies; the suspension of the officer who is deputy collector at Jersey City, (for the reasons mentioned in appendix, marked B;) the continued vacancy in the office of assistant collector; and the discharge of a deputy surveyor.

They further report that the hours of employment—which commence nominally at 9, but in practice generally at 10 o'clock—should be, in all the departments, from 9 o'clock a. m. till 4 p. m., excepting where a longer term is prescribed by law.

It seems not improbable that the investigation, which is still continuing, into other questions submitted by your letter, or subsequently referred to the commission, or raised by the complaints submitted, may disclose occasion for a further reduction of the force; and such will doubtless be the case should measures be adopted by the Department under the present law, or by Congress in future legislation, for the consolidation of separate departments, or the simplification of the general system.

The propriety of the reduction in the force now proposed, generally sustained by the collector, naval officer, and surveyor, (copies of whose letters are appended, marked respectively C, D, and E,) is indicated by the observation of the commission and by the testimony of experienced officials, whose opinions seem to afford a guarantee that with the increase of hours and a wise and vigorous administration no inconvenience to the Government or to the merchants can arise from its adoption.

The proposed reduction of the force brings to view, as directly bearing upon the choice of the officials to be retained, some other of the points submitted to the commission. They were instructed to inquire "whether any of the force now employed are deficient in proper attention to busi-

ness, or in business qualifications, or integrity of character; and whether they are in any manner employed in other business."

The commission were also instructed to inquire "as to the manner in which appointments are made, whether it can be improved, and whether the appointments heretofore made have been made on political influence without due regard to efficiency."

The testimony taken thus far has been largely that of officers of the service, and the fact that appointments are made on political influence is clear from the admission of a number of these gentlemen, whose position would naturally indispose them to exaggerate the defects of a system which the Government that they served had recognized and which they had themselves been called to administer. With a variance of view as to the results of the system, their evidence makes it plain that while correct principles of governmental management have been illustrated to some extent in promotion for merit and an improvement in the terms of service, extending in one case to forty-eight years, (as exhibited in the appendixes F and G, submitted by Mr. Collector Arthur,) the appointments have been made in great part under political pressure, from party considerations, and with insufficient regard to the fitness of the appointees.

While aiming to avoid a course of inquiry that might seem to imply a scrutiny into individual delinquencies, rather than the broad inquiry indicated by the Department into the general conduct of the customs service, with a view to such reforms as might be found desirable and practicable, the commission report as their conclusion, from the evidence given and from their own observation, that a part of the force now employed in the service is deficient in proper attention to business, as well as in business qualifications and integrity of character; that a few of them are employed more or less in private business, to the possible detriment, in some cases, of the interests of the service; and that some fraudulently accept moneys for services rendered in their official capacity.

For these reasons the commission think that the proposed reduction of the force should be made in the various divisions and classes after a careful scrutiny and examination, in each division, in such manner as the wisdom of the Department may determine, to the end that the Government may retain the most faithful and efficient of its present officials. Under the existing system, the incumbents of office in the customs service, however high, responsible, or difficult may be the duties, requiring often the skill and experience of experts, are appointed generally at the request of politicians and political associations in this and other States, with little or no examination into the fitness of the appointees beyond the recommendations of their friends.

The commission, in response to the questions of the Department, pronounce this manner of appointment to be unsound in principle, dangerous in practice, demoralizing in its influence on all connected with the customs service, and calculated to encourage and perpetuate the official ignorance, inefficiency, and corruption which, perverting the powers of Government to personal and party ends, have burdened the country with debt and taxes, and assisted to prostrate the trade and industry of the nation. The commission believe that there can be no adequate protection in the customs service for the honor of the Government, the rights of importers, and the interests of the nation, until the service is freed from the control of party, and organized on a strictly business basis, with the same guarantees for efficiency and fidelity in the selection of the chief and subordinate officers that would be required by a prudent merchant.

At the New York custom-house are collected from 70 to 75 per cent. of our customs revenue, and its present receipts amount to about \$108,000,000. The fidelity of its management concerns at once our foreign commerce, our domestic manufactures, the general prosperity of our people, and the respect and confidence of the world. Its management is complicated by the existing tariff, which subjects to duties, specific or *ad valorem*, or both, seventeen hundred articles, and to the importers and American manufacturers who invest their capital in enterprises, based upon the exact provisions of the tariff, it becomes a matter of concern, as shown by the complaints laid before the commission, that the conditions of the tariff, while it remains in force, shall not be changed by ignorance, carelessness, or fraud in its execution.

These considerations, which have been forcibly impressed upon the commission, present the customs service not simply as a machinery for collecting a certain amount of revenue, but as a complicated and sacred trust, upon whose faithful execution, with a single eye to the letter and spirit of the law, depend in large measure our commerce and manufactures.

In this view, the question of political appointments, the recognition of a partisan power outside of the Government, divided among irresponsible leaders claiming the right to dispose of the offices of the customs as the spoils of party, assumes a national magnitude and importance.

It appears from the testimony that, under the present system, the officers who are appointed through political influence are expected to make their offices contribute in turn to the support of the party, and that the amount of the contributions asked from the men is fixed by a percentage on their respective salaries. Most of the officials thus assessed accede to the demand, and some of them repair their diminished salaries by exacting or accepting from the merchants unlawful gratuities. These party assessments seem to have been quietly permitted, if not openly sanctioned, and the improper acceptance of gratuities, as appears from the letter of the collector, (May 17,) has continued for a quarter of a century to defy the law and demoralize the service.

The commission beg leave to reserve for a further report the result of their inquiries, made by your request, into the system of business now in vogue in the appraiser's department connected with the sampling, examining, and appraising of invoices and damage allowances, and also their suggestions for the correction of certain grave irregularities which seem to exist among the weighers, gaugers, and measurers, and touching also the management of the inspectors appointed to pass passenger and emigrant baggage. But the commission believe that a thorough reform in these particulars, and the success of every effort through the customs service to relieve the national commerce and industry from the evils wrought by mismanagement and corruption, can be accomplished only by the emancipation of the service from partisan control. And looking to the manliness and integrity of the American character, and to the rights and interests of the working classes, they regard that change as demanded by higher motives than those of economy, and wider interests than those of the revenue.

Among the complaints and suggestions referred to the commission from Washington or submitted to it in New York, are some looking to a revision of the tariff, with radical changes in the existing law, and some of these suggestions come from gentlemen of the Chamber of Commerce who have given the subject careful attention.

The irregularity connected with the unloading of steamships at night,

to which we had the honor of calling your attention on the 9th day of May, has been corrected, we believe, to the satisfaction of the steamship companies by the Department order No. 60.

All of which is respectfully submitted.

We remain, with great respect, your obedient servants,

JOHN JAY.
LAW TURNURE.
J. H. ROBINSON.

To the Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

TREASURY DEPARTMENT,
Washington, May 26, 1877.

SIR: I beg leave to call your attention to the accompanying partial report of the commission appointed to examine the custom-house in New York, and especially to that part of it relating to appointments upon political influence without due regard to efficiency. As this involves questions of general policy, which affect other Departments of your administration, I desire instructions as to the rules you wish adopted on this subject-matter, so that they may be applied in the reforms proposed in the New York custom-house.

Respectfully, yours,

JOHN SHERMAN.

To the PRESIDENT.

EXECUTIVE MANSION,
Washington, May 26, 1877.

MY DEAR SIR: I have read the partial report of the commission appointed to examine the New York custom-house. I concur with the commission in their recommendations. It is my wish that the collection of the revenues should be free from partisan control, and organized on a strictly business basis, with the same guarantees for efficiency and fidelity in the selection of the chief and subordinate officers that would be required by a prudent merchant. Party leaders should have no more influence in appointments than other equally respectable citizens. No assessments for political purposes on officers or subordinates should be allowed. No useless officer or employé should be retained. No officer should be required or permitted to take part in the management of political organizations, caucuses, conventions, or election campaigns. Their right to vote, and to express, their views on public questions, either orally or through the press, is not denied, provided it does not interfere with the discharge of their official duties.

Respectfully,

R. B. HAYES.

Hon. JOHN SHERMAN, &c.

TREASURY DEPARTMENT, *May 26, 1877.*

GENTLEMEN: Your first report on the custom-house in New York, of date the 24th instant, has been received, and the reduction proposed by you of 20 per cent. of the number of persons employed therein is approved.

So far as these offices are created by law, vacancies will be made and left for the action of Congress. The reduction of the other employés,

the number of whom and whose compensation are not fixed by law, will be made as soon as practicable.

I am much gratified that the collector, the naval officer, and the surveyor of the port concur with you in the proposed reduction.

The hours of employment after the 31st of this month will be from 9 o'clock a. m. till 4 o'clock p. m., excepting where a longer time is prescribed by law. This corresponds to the hours of clerical service in this Department. This rule will be strictly enforced, and absence will be the cause of reduction of pay or removal. Strict attention to duty will be required, and other business will not be allowed to interfere with the full discharge of the duty attached to the office.

I notice that you do not suggest a mode of carrying into effect the reduction of the force recommended, and I cannot, with due regard to the remaining subjects of your inquiry, ask you to extend your investigation into the *personnel* of each employé, his character, efficiency, and merits. This must be mainly left to the collector, who, by law, is authorized to employ, with the approval of the Secretary of the Treasury, proper persons as deputy collectors, weighers, gaugers, and measurers in the several ports within his district. Thus, nearly all the officers of the custom-house are appointed by the collector, and, with the approval of the Secretary of the Treasury, may be removed at pleasure. He will promptly be called upon, under special orders, to perform this delicate and onerous duty. It is very important that it should be executed with due regard to the efficiency and merit of the employés, and so as best to promote the public service.

In order that a rule might be furnished him, I called upon the President for instructions to govern alike the collector and myself in the execution of this duty. A copy of his answer is hereto annexed. You will see from it that he approves your recommendations, and that he wishes the custom-house conducted free from partisan control, on a strictly business basis, with the same guarantees for efficiency and fidelity in the selection of the chief and subordinate officers that would be required by a prudent merchant; that the public business should not be affected injuriously by the interests or influence of party leaders or party struggles; and that, while an officer should freely exercise his political rights as a citizen, he should not use his power as an officer to influence the conduct of others.

I believe the opinions expressed by the President will meet with your hearty approval, and they are in harmony with your report.

Permit me to add the thanks of this Department for your care, ability, and industry in conducting this inquiry.

Very respectfully,

JOHN SHERMAN,
Secretary.

Messrs. JOHN JAY, L. TURNURE, and J. H. ROBINSON,
Commission on Custom-House, New York.

TREASURY DEPARTMENT, *May 28, 1877.*

SIR: Inclosed I send you a copy of the first report of the commission on the New York custom-house, recommending a large reduction of the employés in the various offices in your collection-district, and the approval and adoption of that report.

It only remains now to execute this order upon the principles and in the spirit stated by the President. This task, always an unpleasant one, when it requires the removal of employés, falls mainly upon you,

subject to my approval. It may not be amiss for me now to state, in advance, somewhat more in detail, my views as to the mode of reduction. The extent of the reduction is fully stated in the report, and we are thus relieved from that portion of the task.

Notice by the report that you have an exceptionally large proportion of experienced officers still in the service. You will have no difficulty in selecting from these the more efficient and trustworthy to fill the most important positions, and when these are carefully selected you will have secured for the duties of greatest trust active, efficient, and experienced officers. It must happen that among those longest in service some are disabled by age and infirmity. It is often the most painful but necessary duty to dismiss these or reduce them to positions which they are still able to fill. The Government is fairly entitled to the services of those who are fully able to discharge personally the duties of their office, and who are willing to give their entire attention to their official duty. If they cannot or do not do this, it is no injustice to remove them.

In the selection of inferior officers, the only rule should be the one daily acted upon by merchants—to employ only those who are competent for the special work assigned them, whose industry, integrity, and good habits give guarantees for faithful services honestly rendered. This reduction will enable you to transfer those now employed on work for which they are not fitted to other work for which they are competent, and to reward exceptional merit and ability by promotion.

It is impossible, in a force so large as yours, that you should know the peculiar qualities and merits of each employé, and it is important, in making selections, that you secure this information through committees of trusted officers, and in proper cases to test the intelligence, ability, and qualifications of an officer or applicant for office by written questions or an oral examination. In many cases the partiality and influence of relations secure several persons of the same family in office, thus causing complaints and favoritism. As a rule, it is best in all cases to have but one of the same family under your jurisdiction, and no just complaint can be made if this rule is impartially enforced.

The President properly lays great stress on excluding from a purely business office active participation in party politics. Naturally, in a government like ours, other things being equal, those will be preferred who sympathize with the party in power; but persons in office ought not to be expected to serve their party to the neglect of official duty, or to promote the interests of particular candidates, or to interfere with the free course of popular opinion, or to run caucuses or conventions. Such activity of office-holders is offensive to the great mass of the people who hold no office, and gives rise to complaints and irritation. If any have been appointed for purely political reasons, without regard to their efficiency, now is a good time to get rid of them.

Where actual misconduct is proven, such as receiving gratuities or bribes, or oppression or insolence in office, or even the want of common courtesy, or drunkenness or other bad habits tending to degrade the officer, or absence or neglect of duty—in all such cases I know it will be your pleasure to dismiss the employé.

The payment of taxes is not pleasant at best, but if rudely enforced by oppression or discreditable officers, it renders the tax as well as the tax-collector odious.

I do not fix any time within which this reduction must be made, but shall expect it to be completed by the 30th day of June proximo. So far as the reduction is specifically made by the adoption of the report, it should be made by the 1st day of June, and it should be made as to

each particular division or department of the custom-house as early as practicable.

After all, the success of this movement for reform of old abuses, which existed for many years before you became collector, will depend mainly upon your good sense and discretion. I assure you I will heartily sustain and approve any recommendation you may make that appears to me to tend to make the New York custom-house not only what it now is—the most important—but what it ought to be, the best-managed business agency of the Government.

Very respectfully,

JOHN SHERMAN,
Secretary.

C. A. ARTHUR, Esq.,
Collector of Customs, New York.

APPENDIX A.

MEMORANDUM OF THE PERSONS EMPLOYED IN CERTAIN DIVISIONS OF THE CUSTOMS SERVICE AT NEW YORK, WITH A SUGGESTION OF THE CHARACTER OF THE PROPOSED REDUCTION FOR THE FURTHER CONSIDERATION OF THE COMMISSION THAT MAY BE CHARGED WITH REDUCING THE FORCE.

COLLECTOR'S OFFICE, (PROPER,) PORT OF NEW YORK.

Showing number of persons employed therein, and amount of salaries paid.

1 collector, at \$12,000 per year	\$12,000
1 deputy collector at large, at \$3,000 per year, (now vacant)	3,000
4 deputy collectors, at \$3,000 per year	12,000
4 acting deputy collectors, at \$2,500 per year	10,000
1 assistant collector, Jersey City, at \$2,000 per year	2,000
1 private secretary, at \$3,000 per year	3,000
1 stenographer, at \$2,000 per year	2,000
1 clerk, at \$2,000 per year	2,000
1 clerk, at \$1,400 per year	1,400
1 clerk, at \$1,200 per year	1,200
1 messenger, at \$1,000 per year	1,000
1 messenger, at \$900 per year	900
1 messenger, at \$840 per year	840
1 scrubber, at \$30 per month, \$360 per year	360

20

51,780

REDUCTION PROPOSED.

Discharge one deputy collector at large, four deputy collectors, and four acting deputy collectors; suspend one assistant collector, Jersey City; discharge two clerks and one messenger.

ASSISTANT COLLECTOR'S OFFICE, PORT OF NEW YORK.

Showing number of persons employed therein, and amount of salaries paid.

1 assistant collector, at \$5,000 per year, (now vacant)	\$5,000
1 chief clerk, at \$4,000 per year	4,000
2 clerks, at \$2,000 per year	4,000
2 clerks, at \$1,800 per year	3,600
1 clerk, at \$1,600 per year	1,600
1 clerk, at \$1,400 per year	1,400
1 clerk and messenger, at \$1,200 per year	1,200
1 clerk, at \$1,000 per year	1,000

10

21,800

Number of persons employed	10
Amount paid for salaries	\$21,800

REDUCTION PROPOSED.

Keep vacant one assistant collector; discharge two clerks and one messenger.

FIRST DIVISION, NEW YORK CUSTOM-HOUSE,

AUDITOR'S OFFICE.

Number of persons employed therein, and amount of salaries paid.

1 auditor, at \$7,000 per annum.....	\$7,000
1 assistant auditor, at \$3,500 per annum.....	3,500
1 chief disbursing-clerk, at \$3,500 per annum.....	3,500
1 chief clerk, at \$3,000 per annum.....	3,000
1 paymaster, at \$2,500 per annum.....	2,500
4 clerks, at \$2,000 per annum.....	8,000
10 clerks, at \$1,800 per annum.....	18,000
21 clerks, at \$1,600 per annum.....	33,600
41 clerks, at \$1,400 per annum.....	57,400
11 clerks, at \$1,200 per annum.....	13,200
1 clerk, at \$1,000 per annum.....	1,000
2 messengers, at \$1,000 per annum.....	2,000
1 messenger, at \$840 per annum.....	840
4 messengers, at \$600 per annum.....	3,200
1 messenger, at \$400 per annum.....	400
101	157,140
Number employed.....	101
Amount of salaries paid.....	\$157,140

REDUCTION PROPOSED.

Discharge eighteen clerks and two messengers.

SECOND DIVISION, NEW YORK CUSTOM-HOUSE.

CASHIER'S OFFICE.

Showing number of persons employed therein, and amount of salaries paid.

1 cashier, at \$5,000 per annum.....	\$5,000
1 assistant cashier, at \$3,500 per annum.....	3,500
4 clerks, at \$2,000 per annum.....	8,000
4 clerks, at \$1,800 per annum.....	7,200
2 clerks, at \$1,600 per annum.....	3,200
1 clerk, at \$1,500 per annum.....	1,500
2 messengers, at \$1,000 per annum.....	2,000
15	30,400
Number employed.....	15
Amount paid.....	\$30,400

REDUCTION PROPOSED.

Discharge two clerks.

THIRD DIVISION, NEW YORK CUSTOM-HOUSE.

WAREHOUSE DIVISION.

Showing number of persons employed therein, and amount of salaries paid.

1 deputy collector, at \$3,000 per annum.....	\$3,000
1 chief clerk, at \$2,500 per annum.....	2,500
1 clerk, at \$2,000 per annum.....	2,000
3 clerks, (one of whom is assistant superintendent,) at \$1,800 per annum.....	5,400
10 clerks, at \$1,600 per annum.....	16,000
4 clerks, at \$1,400 per annum.....	5,600
9 clerks, at \$1,200 per annum.....	10,800
3 messengers, at \$900 per annum.....	2,700
5 messengers, at \$800 per annum.....	4,000
37	52,000
Number employed.....	37
Amount paid.....	52,000

REDUCTION PROPOSED.

Discharge five clerks and three messengers.

CUSTOM-HOUSES OF THE UNITED STATES.

FOURTH DIVISION, NEW YORK CUSTOM-HOUSE.

ENTRANCES, CLEARANCES, ISSUING OF LICENSES, ETC.

Showing number of persons employed therein, and amount of salaries paid.

1 deputy collector, at \$3,000 per annum	\$3, 000.
1 chief clerk, at \$2,500 per annum	2, 500
2 clerks, at \$1,800 per annum	3, 600
2 clerks, at \$1,600 per annum	3, 200
7 clerks, at \$1,400 per annum	9, 800
6 clerks, at \$1,200 per annum	7, 200
2 clerks, at \$1,000 per annum	2, 000
1 messenger, at \$1,000 per annum	1, 000

2232, 300

Number employed	22
Amount paid	32, 300

REDUCTION PROPOSED.

Discharge three clerks.

FIFTH DIVISION, NEW YORK CUSTOM-HOUSE.

ENTRY OF MERCHANDISE FOR CONSUMPTION, ETC.

Showing number of persons employed therein, and amount of salaries paid.

1 deputy collector, at \$3,000 per annum	\$3, 000
1 chief clerk, at \$3,000 per annum	3, 000
1 chief entry clerk, at \$2,500 per annum	2, 500
25 clerks, at \$2,200 per annum	55, 000
14 clerks, at \$2,000 per annum	28, 000
1 clerk, at \$1,800 per annum	1, 800
1 clerk, at \$1,600 per annum	1, 600
1 clerk, at \$1,400 per annum	1, 400
4 clerks, at \$1,200 per annum	4, 800
1 clerk, at \$1,000 per annum	1, 000
6 messengers, at \$800 per annum	4, 800

56106, 900

Number employed	56
Amount paid	106, 900

REDUCTION PROPOSED.

Discharge seven clerks and two messengers.

SIXTH DIVISION, NEW YORK CUSTOM-HOUSE.

INVOICES.

Showing the number of persons employed therein, and amount of salaries paid.

1 deputy collector, at \$3,000 per annum	\$3, 000
1 chief clerk, at \$2,500 per annum	2, 500
3 clerks at \$1,400 per annum	4, 200
7 clerks, at \$1,200 per annum	8, 400
8 clerks, at \$1,000 per annum	8, 000
1 messenger, at \$900 per annum	900
1 messenger, at \$800 per annum	800

2227, 800

Number employed	22
Amount paid	27, 800

REDUCTION PROPOSED.

Discharge six clerks and one messenger.

SEVENTH DIVISION, NEW YORK CUSTOM-HOUSE.

ORDERS.

Showing number of persons employed therein, and amount of salaries paid.

1 deputy collector, at \$3,000 per annum	\$3,000
1 chief clerk, at \$2,500 per annum	2,500
2 clerks, at \$1,200 per annum	2,400
1 messenger, at \$800 per annum	800
<hr/> 5	<hr/> 8,700
Number employed	5
Amount paid	8,700

EIGHTH DIVISION, NEW YORK CUSTOM-HOUSE.

PUBLIC STORES.

Showing number of persons employed therein, and amount of salaries paid.

1 deputy collector, at \$3,000 per annum	\$3,000
1 chief clerk, at \$2,500 per annum	2,500
2 clerks, (one of whom is cigar-inspector,) at \$2,000 per annum	4,000
2 clerks, at \$1,800 per annum	3,600
5 clerks, at \$1,600 per annum	8,000
11 clerks, at \$1,400 per annum	15,400
20 clerks, at \$1,200 per annum	24,000
1 carpenter, at \$1,000 per annum	1,000
5 clerks, at \$1,000 per annum	5,000
1 clerk, at \$900 per annum	900
2 porters, at \$900 per annum	1,800
1 messenger, at \$900 per annum	900
1 messenger, at \$850 per annum	850
1 messenger, at \$840 per annum	840
4 messengers, at \$800 per annum	6,400
3 messengers, at \$1.50 per day, (working days, 312,) \$468 per annum	1,404
20 watchmen, at \$3 per day, (every day,) \$1,095 per annum	21,900
1 scrubber, at \$45 per month, \$540 per annum	540
<hr/> 75	<hr/> 102,034
Number employed	75
Amount paid	102,034

REDUCTION PROPOSED.

Discharge ten clerks, five messengers, and eight watchmen.

NINTH DIVISION, NEW YORK CUSTOM-HOUSE.

SEIZURES, FINES, PENALTIES, FORFEITURES, ETC.

Showing number of persons employed therein, and amount of salaries paid.

1 deputy collector, at \$3,000 per annum	\$3,000
1 chief clerk, at \$2,500 per annum	2,500
1 chief clerk, seizure bureau, at \$2,500 per annum	2,500
1 chief clerk, drawback, at \$2,200 per annum	2,200
3 clerks, (one of whom is chief bond clerk,) at \$2,000 per annum	6,000
7 clerks, at \$1,800 per annum	12,600
5 clerks, at \$1,600 per annum	8,000

10 clerks, at \$1,400 per annum	\$14,000
10 clerks, at \$1,200 per annum	12,000
1 clerk, at \$1,000 per annum	1,000
1 opener and packer, at \$1,000 per annum	1,000
1 messenger, at \$840 per annum	840
6 messengers, at \$800 per annum	4,800
1 porter, at \$720 per annum	720
49	71,160
Number employed	49
Amount paid	71,160

REDUCTION PROPOSED.

Discharge eight clerks and three messengers.

TENTH DIVISION, NEW YORK CUSTOM-HOUSE

BONDED WAREHOUSES, ETC.

Showing number of persons employed therein, and amount of salaries paid.

1 deputy collector, at \$5,000 per annum	\$5,000
1 superintendent bonded warehouses, at \$3,000 per annum	3,000
1 chief clerk, (vacant,) at \$2,500 per annum	2,500
1 clerk, at \$2,500 per annum	2,500
1 clerk, at \$2,400 per annum	2,400
1 clerk, at \$1,800 per annum	1,800
3 clerks at \$1,600 per annum	4,800
7 clerks, at \$1,400 per annum	9,800
7 clerks, at \$1,200 per annum	8,400
1 messenger, at \$1,000 per annum	1,000
2 messengers, at \$900 per annum	1,800
2 messengers, at \$800 per annum	1,600
1 superintendent buildings, at \$2,400 per annum	2,400
1 assistant superintendent buildings, at \$1,600 per annum	1,600
1 engineer, at \$1,500 per annum	1,500
4 ushers, at \$1,200 per annum	4,800
1 carpenter, at \$1,150 per annum	1,150
4 watchmen, at \$2.50 per day, Sundays, &c., \$1,000 = \$1,130	4,520
5 watchmen, (one of these is engineer,) at \$1,000 per annum	5,000
4 fireman, at \$720 per annum	2,880
15 porters, at \$720 per annum	10,800
1 messenger, at \$50 per month	600
13 weighers, at \$2,500 per annum	32,500
6 gaugers, at \$2,000 per annum	12,000
13 weighers' clerks, at \$1,200 per annum	15,600
13 weighers' foremen, at \$1,200 per annum	15,600
274 inspectors, at \$4 per diem, 365 days = \$1,460 per annum	400,040
105 night-watchmen, at \$3 per day, 365 days = \$1,095 per annum	114,975
9 inspectresses, at \$3 per day, 365 days = \$1,095 per annum	9,555
1 superintendent and acting deputy collector, Castle Garden, at \$2,000 per annum	2,000
1 storekeeper, at \$4 per day, 365 days = \$1,460 per annum	1,460
1 assistant storekeeper, at \$1,000 per annum	1,000
511	684,880
Number employed	511
Amount paid	684,880

REDUCTION PROPOSED.

Discharge one assistant superintendent, five clerks, four ushers, three porters, six weighers, six weighers' clerks, six weighers' foremen, sixty-two inspectors, fifteen night-watchmen, five inspectresses, and one gauger.

NAVAL OFFICE, PORT OF NEW YORK.

Showing number of persons employed therein, and amount of salaries paid.

1 naval officer, at \$8,000 per annum.....	\$8,000
1 comptroller and special deputy, at \$5,000 per annum.....	5,000
2 deputy naval officers, at \$2,500 per annum.....	5,000
1 clerk and acting deputy, at \$2,500 per annum.....	2,500
1 auditor, at \$2,500 per annum.....	2,500
2 clerks and acting deputies, at \$2,200 per annum.....	4,400
6 clerks, at \$2,200 per annum.....	13,200
10 clerks, at \$2,000 per annum.....	20,000
16 clerks, at \$1,800 per annum.....	28,800
20 clerks, at \$1,600 per annum.....	32,000
10 clerks, at \$1,400 per annum.....	14,000
4 clerks, at \$1,200 per annum.....	4,800
4 messengers, at \$1,000 per annum.....	4,000
2 messengers, at \$800 per annum.....	1,600
1 messenger, at \$600 per annum.....	600
<hr/> 81	<hr/> 146,400
Number employed.....	81
Amount paid.....	146,400

REDUCTION PROPOSED.

Discharge one deputy naval officer, fourteen clerks, and two messengers.

SURVEYOR'S OFFICE, PORT OF NEW YORK.

Showing number of persons employed therein, and amount of salaries paid.

1 surveyor, at \$8,000 per annum.....	\$8,000
1 auditor, (special deputy,) at \$5,000 per annum.....	5,000
4 deputy surveyors, at \$2,500 per annum.....	10,000
6 clerks, at \$1,600 per annum.....	9,600
9 clerks, at \$1,400 per annum.....	12,600
3 messengers, at \$900 per annum.....	2,700
1 messenger, at \$720 per annum.....	720
7 inspectors, (one of whom admeasures vessels,) at \$4 per day, 365 = \$1,460.	10,220
<hr/> 32	<hr/> 58,840
Number employed.....	32
Amount paid.....	58,840

REDUCTION PROPOSED.

Discharge one deputy surveyor, three clerks, and one messenger.

APPENDIX B.

Reasons for recommending the suspension of assistant collector at Jersey City.

The recommendation in the report is made for these reasons: Section 2536, Revised Statutes, provides that the assistant collector at Jersey City shall have power to enter and clear vessels in like manner as the collector at New York, and shall act in conformity to such instructions as he shall from time to time receive from the latter. Section 4340 provides that he may enroll and license all vessels employed in the coasting trade and fisheries owned by residents of the counties of Hudson and Bergen.

The evidence, however, shows that this officer has no duty to perform under the law, and does none; that he receives no instructions from the collector at New York, and makes no report to him.

APPENDIX C.

CUSTOM-HOUSE, NEW YORK CITY,
Collector's Office, May 24, 1877.

SIR: Referring to my communication of the 21st instant, transmitting official reports from the heads of the several divisions of this office, showing what reduction, in their judgment, can be made in the clerical force under their supervision, and in answer to your further request for my own views as to whether any greater reduction than that which they recommend can be effected, I have the honor to state that, after careful consideration of the subject, I am led to the conclusion that, putting the force upon a basis of the closest economy, a reduction of sixty-six employes can at this time be made in the ten divisions of my office without seriously endangering the interests of the public service.

This number is an increase of twenty-three over that contained in the statement already transmitted, and a reduction of about twelve per cent. in that class of the employes.

I do not see that any greater reduction than what is herein stated can be made without considerable embarrassment both to the Government and the merchants.

I am, very respectfully,

C. A. ARTHUR,
Collector.

Hon. JOHN JAY, *Chairman, &c.*

APPENDIX D.

CUSTOM-HOUSE, NEW YORK,
Naval Office, May 25, 1877.

DEAR SIR: After a careful review of the subject, I am inclined to think, if the hours of duty are fixed by the Department from 9 to 4 o'clock, we may, by a re-organization of this office and increasing the labor of the clerks, be able to dispense with the services of seven men, and reduce our annual pay-roll, say, \$10,000.

Yours, very respectfully,

A. B. CORNELL,
Naval Officer.

Hon. JOHN JAY, *Chairman, &c.*

APPENDIX E.

CUSTOM-HOUSE, NEW YORK CITY,
Surveyor's Office, May 24, 1877.

SIR: I learn from you that the commission proposes to report a recommendation for a reduction of 20 per cent. in the employes of the custom-house.

I have not believed that so large a retrenchment could be made in the surveyor's department with due regard to the interests of the Government and the merchants. Whatever reduction is made at once should be much less than the amount named, as we are now in the busiest season of the year.

A large proportion of the reduction you propose could, however, be made soon; and, with gradual steps to effect the remainder, I think the whole may be accomplished without prejudice to the service or to the mercantile community. In any case, a very earnest effort will be made to meet the views of the commission, if approved by the Secretary of the Treasury.

Very respectfully, your obedient servant,

GEORGE H. SHARPE,
Surveyor.

Hon. JOHN JAY, *Chairman.*

APPENDIX F.

Names of employes holding office prior to December 1, 1871, and now in office—May 1, 1877.

			About 48 years.
Sept.	12, 1829	W. C. Dayton	" 45 "
Oct.	3, 1832	E. Dayton Ogden	" 36 "
June	1, 1841	Samuel G. Ogden	" 35 "
Oct.	10, 1842	Fitz Hugh Fay	" 28 "
Oct.	9, 1849	E. M. Evans	" 25 "
July	13, 1852	Thos. Conly	" 24 "
Oct.	4, 1853	Joseph Treloar	" 23 "
April	10, 1854	James Hoffman	" 23 "
Sept.	1, 1854	John R. Lydecker	" 22 "
Dec.	1, 1854	John McMichael	" 22 "
Oct.	14, 1855	John Jeffrey	" 21 "
Dec.	4, 1855	Kiernan Egan	" 18 "
April	23, 1859	Thos. D. Knowler	" 16 "
Jan.	14, 1861	John Ellard	" 16 "
April	30, 1861	Treadwell Walters	" 16 "
June	1, 1861	Hamilton Fulton	" 16 "
June	7, 1861	Samuel Sparks	" 16 "
July	7, 1861	Thos. Silvay	" 16 "
July	8, 1861	B. F. Wyman	" 16 "
July	12, 1861	Cornelius Williams	" 16 "
Aug.	1, 1861	Wm. A. Maris	" 16 "
Oct.	4, 1861	Nath'l W. Howell	" 16 "
Oct.	19, 1861	N. S. Adams	" 15 "
Feb.	6, 1862	Solomon Goldsmith	" 15 "
March	1, 1862	Sherman P. Fitch	" 15 "
March	6, 1862	Joseph Southworth, jr	" 15 "
March	14, 1862	F. E. Hurlbut	" 15 "
May	18, 1862	Fred'k Follett	" 15 "
June	2, 1862	Peter Ruck, jr	" 15 "
June	5, 1862	N. H. Osgood	" 15 "
Oct.	9, 1862	Samuel E. Ely, jr	" 14 "
Dec.	30, 1862	Joseph Curran	" 14 "
Jan.	3, 1863	Miles Banks	" 14 "
May	1, 1863	Wm. O. Fitzgerald	" 14 "
July	11, 1863	Edward A. Mann	" 13 "
Nov.	12, 1863	Wm. H. McMahon	" 13 "
May	4, 1864	F. G. Hubbard	" 13 "
May	11, 1864	E. M. Skidmore	" 13 "
May	23, 1864	Harrison Millard	" 13 "
June	4, 1864	James Begin	" 13 "
Aug.	13, 1864	James H. Lewis	" 13 "
Sept.	1, 1864	Wm. Madden	" 13 "
Sept.	1, 1864	Robert Burden	" 13 "
Sept.	1, 1864	Washington Gibbons	" 13 "
Sept.	5, 1864	Joel Blackmer	" 13 "
Sept.	10, 1864	Wm. Green	" 13 "
Sept.	28, 1864	Eugene C. Sutton	" 13 "
Sept.	30, 1864	Chas. Crawford	" 12 "
Nov.	19, 1864	William Poole	" 12 "
Dec.	1, 1864	Richard Wynkoop	" 12 "
Dec.	7, 1864	Oscar M. Fisher	" 12 "
April	12, 1865	James H. Bostwick	" 12 "
April	26, 1865	Edwin A. Perry	" 12 "
May	1, 1865	William B. Woolsey	" 12 "
May	16, 1865	John N. Coyne	" 12 "
July	1, 1865	Geo. H. Tucker	" 12 "
July	17, 1865	Daniel Sullivan	" 12 "
July	12, 1865	John J. Herrick	" 12 "
Aug.	24, 1865	Noah B. Stokley	" 12 "
Aug.	27, 1865	Jas A. Lackey	" 12 "
Sept.	18, 1865	Chas. G. Smith	" 12 "
Sept.	27, 1865	Isaac Trimble	" 11 "
Dec.	1, 1865	Wm. H. Rogers	" 11 "
Jan.	2, 1866	H. E. Esterbrook	" 11 "

APPENDIX F.—*Names of employes holding office, &c.*—Continued.

Feb. 1, 1866.....	Preston King Webster	About 11 years.
Feb. 19, 1866.....	Charles E. Bell	" 11 "
March 16, 1866.....	A. H. Stratton	" 11 "
May 4, 1866.....	Chas. F. Kane	" 11 "
June 10, 1866.....	P. A. Van Bergen	" 11 "
June 29, 1866.....	Richard Grant White	" 11 "
July 6, 1866.....	Geunie C. Ferris	" 11 "
July 7, 1866.....	David Van Osdell	" 11 "
July 10, 1866.....	David Lydig	" 11 "
July 10, 1866.....	Henry L. Potter	" 11 "
July 12, 1866.....	Peter Courter	" 11 "
Sept. 8, 1866.....	A. Chalmers Hinton	" 11 "
Sept. 18, 1866.....	John F. Emmerson	" 11 "
Oct. 19, 1866.....	John R. B. Gardinier	" 11 "
Oct. 23, 1866.....	Wm. E. Wall	" 11 "
Nov. 19, 1866.....	Jacob H. Cohen	" 10 "
Nov. 6, 1866.....	H. B. Fiske	" 10 "
Nov. 20, 1866.....	John D. Terry	" 10 "
Nov. 20, 1866.....	N. Van Alstyne	" 10 "
Nov. 21, 1866.....	B. F. Washington	" 10 "
Dec. 5, 1866.....	Herman Melville	" 10 "
Jan. 15, 1867.....	Francis Gay	" 10 "
Jan. 15, 1867.....	J. S. Palmer	" 10 "
March 1, 1867.....	Joseph Brock	" 10 "
March 25, 1867.....	Fred'k H. Wight	" 10 "
March 30, 1867.....	Valentine Bagley	" 10 "
March 30, 1867.....	Joseph H. Chambers	" 10 "
April 1, 1867.....	B. S. Carpenter	" 10 "
April 11, 1867.....	J. F. Morgans	" 10 "
April 12, 1867.....	A. G. Iffla	" 10 "
May 1, 1867.....	Geo. L. Crane	" 10 "
May 1, 1867.....	John Van Arsdale	" 10 "
May 21, 1867.....	J. S. Moore	" 10 "
May 31, 1867.....	Walter S. Hill	" 10 "
June 20, 1867.....	Chas. A. Fisher	" 10 "
Aug. 1, 1867.....	Isaac P. Trimble	" 10 "
Sept. 4, 1867.....	Geo. B. Eaton	" 10 "
Oct. 1, 1867.....	H. B. Uhlee	" 9 "
Nov. 1, 1867.....	Joseph Evans	" 9 "
Nov. 1, 1867.....	Patrick Kelly	" 9 "
Nov. 1, 1867.....	John Witschief	" 9 "
Nov. 9, 1867.....	John Wiggins	" 9 "
Dec. 3, 1867.....	Wm. A. Purdie	" 9 "
Dec. 31, 1867.....	J. B. Van Zandt	" 9 "
Dec. 31, 1867.....	John P. Williams	" 9 "
Jan. 31, 1868.....	John Pennell	" 9 "
Feb. 3, 1868.....	Wedworth Wadsworth	" 9 "
Feb. 12, 1868.....	William H. Northup	" 9 "
March 6, 1868.....	Joseph A. Flynn	" 9 "
March 16, 1868.....	Wm. Conklin	" 9 "
March 25, 1868.....	S. F. E. Kirby	" 9 "
April 14, 1868.....	Patrick Hammond	" 9 "
June 1, 1868.....	Maria L. Ellis	" 9 "
June 1, 1868.....	R. Munkittrick	" 9 "
June 15, 1868.....	F. M. Watson	" 9 "
June 20, 1868.....	G. F. Tait	" 9 "
June 22, 1868.....	F. E. Farmer	" 9 "
June 30, 1868.....	C. H. Knight	" 9 "
July 15, 1868.....	James Carter	" 9 "
Sept. 1, 1868.....	J. M. Anderson	" 9 "
Sept. 1, 1868.....	Chas. W. Glaser	" 9 "
Sept. 2, 1868.....	E. H. M. Ehlers	" 9 "
Sept. 8, 1868.....	G. Von Schack	" 9 "
Oct. 5, 1868.....	Hugh McGinty	" 9 "
Nov. 23, 1868.....	John W. Robertson	" 8 "
Nov. 23, 1868.....	Wm. P. Rodgers	" 8 "
Dec. 9, 1868.....	Walter L. Judd	" 8 "

APPENDIX F.—Names of employes holding office, &c.—Continued.

			About 8 years.
Dec.	31, 1868	Samuel Hopper	" 8 "
Dec.	31, 1868	David N. Merritt	" 8 "
Jan.	1, 1869	John R. Farlee	" 8 "
Jan.	4, 1869	Andrew J. Oliver	" 8 "
Jan.	12, 1869	F. B. Lawrence	" 8 "
Jan.	21, 1869	Patrick Devoy	" 8 "
Jan.	30, 1869	Enoch Armitage	" 8 "
Jan.	30, 1869	J. M. Wild	" 8 "
Feb.	1, 1869	C. F. E. Lueder	" 8 "
Feb.	1, 1869	J. A. Wisner	" 8 "
Feb.	9, 1869	C. M. Julian	" 8 "
Feb.	15, 1869	Geo. W. Luckey	" 8 "
Feb.	20, 1869	Jos. L. Chapman	" 8 "
Feb.	20, 1869	Robert Utley	" 8 "
Feb.	20, 1869	A. J. Van Ham	" 8 "
Feb.	23, 1869	F. W. Brooks	" 8 "
Feb.	26, 1869	H. B. Archer	" 8 "
March	2, 1869	John Dempsey	" 8 "
March	3, 1869	Joseph Smith	" 8 "
April	5, 1869	Samuel B. Curtis	" 8 "
April	13, 1869	Thos. McCabe	" 8 "
April	14, 1869	Edward Jardine	" 8 "
April	17, 1869	Chas. Crandall	" 8 "
April	19, 1869	Wm. Alexander	" 8 "
April	19, 1869	John G. Dubert	" 8 "
April	22, 1869	John Laird	" 8 "
April	23, 1869	S. M. Blatchford	" 8 "
April	24, 1869	Adolphus Borst	" 8 "
April	24, 1869	Richard H. Barry	" 8 "
April	26, 1869	James O. Ellery	" 8 "
April	26, 1869	David Gibbons	" 8 "
April	26, 1869	Timothy Lynch	" 8 "
April	26, 1869	Wm. H. Metcalf	" 8 "
April	26, 1869	R. T. Martling	" 8 "
April	26, 1869	Peter Vogelsang	" 8 "
April	26, 1869	A. H. Hills	" 8 "
April	29, 1869	Geo. W. Wright	" 8 "
April	30, 1869	Chas. S. Stroug	" 8 "
May	1, 1869	Bayly B. Brown	" 8 "
May	1, 1869	Frank D. Curtis	" 8 "
May	1, 1869	John Greenbank	" 8 "
May	1, 1869	John Lalor	" 8 "
May	1, 1869	W. S. Salingre	" 8 "
May	1, 1869	Leroy Schermerhorn	" 8 "
May	3, 1869	Wm. Freeman	" 8 "
May	5, 1869	James W. Grover	" 8 "
May	6, 1869	Frank Henderson	" 8 "
May	7, 1869	A. E. Chamberlain	" 8 "
May	13, 1869	Sarah A. Genet	" 8 "
May	17, 1869	G. B. Bacon	" 8 "
May	24, 1869	M. W. Burns	" 8 "
May	24, 1869	John Quackenbush	" 8 "
May	27, 1869	Eugene O'Shea	" 8 "
May	28, 1869	Wm. H. Benjamin	" 8 "
June	1, 1869	R. J. Paulison	" 8 "
June	1, 1869	Michael Sherry	" 8 "
June	1, 1869	H. H. Smith	" 8 "
June	1, 1869	C. Y. Shepard	" 8 "
June	2, 1869	Geo. A. Leland	" 8 "
June	4, 1869	Wm. S. Appleton	" 8 "
June	5, 1869	Peter C. Bensel	" 8 "
June	7, 1869	C. F. W. Behm	" 8 "
June	7, 1869	John P. Newell	" 8 "
June	7, 1869	Benjamin Stainsby	" 8 "
June	7, 1869	Elisha Travis	" 8 "
June	10, 1869	Wm. Wernhouer	" 8 "
June	14, 1869	E. H. Fletcher	" 8 "

APPENDIX F.—*Names of employes holding office, &c.*—Continued.

			About 8 years.
June 14, 1869	D. B. Baldwin	.....	" 8 "
June 15, 1869	Ang. Werner	.....	" 8 "
June 16, 1869	W. H. Cooper	.....	" 8 "
June 16, 1869	Andrew McCurt	.....	" 8 "
July 3, 1869	Robert L. Bucklin	.....	" 8 "
July 3, 1869	Thomas Casey	.....	" 8 "
July 3, 1869	John H. Davison	.....	" 8 "
July 3, 1869	John Danforth	.....	" 8 "
July 3, 1869	John L. Hoyt	.....	" 8 "
July 3, 1869	Wm. McMonegal	.....	" 8 "
July 3, 1869	Noble McDonald	.....	" 8 "
July 3, 1869	S. T. Munson	.....	" 8 "
July 3, 1869	Archibald Van Alstyne	.....	" 8 "
July 3, 1869	Isaac S. Youngs	.....	" 8 "
July 6, 1869	Naaman Davis	.....	" 8 "
July 8, 1869	J. W. Barker	.....	" 8 "
July 8, 1869	H. D. Sewall	.....	" 8 "
July 10, 1869	John P. Conklin, jr.	.....	" 8 "
July 10, 1869	Edward Duffy	.....	" 8 "
July 12, 1869	E. Hammond	.....	" 8 "
July 13, 1869	Chas. H. Bliven	.....	" 8 "
July 17, 1869	Joseph G. Folger	.....	" 8 "
July 17, 1869	A. L. Reid	.....	" 8 "
July 17, 1869	Wm. G. Tway	.....	" 8 "
July 20, 1869	John Kain	.....	" 8 "
July 26, 1869	M. C. Steele, (inspector)	.....	" 8 "
Aug. 2, 1869	J. A. Cryan	.....	" 8 "
Aug. 11, 1869	W. W. Naramore	.....	" 8 "
Aug. 12, 1869	R. J. Jimmersen	.....	" 8 "
Aug. 13, 1869	John F. Young	.....	" 8 "
Aug. 17, 1869	John E. Robinson	.....	" 8 "
Aug. 19, 1869	Cornelius Van Cott	.....	" 8 "
Aug. 25, 1869	Gilbert M. Cole	.....	" 8 "
Aug. 25, 1869	F. G. Wentworth	.....	" 8 "
Sept. 1, 1869	Richard Hastings	.....	" 8 "
Sept. 1, 1869	Gabriel Van Cott	.....	" 8 "
Sept. 1, 1869	Augustus C. Tate	.....	" 8 "
Sept. 1, 1869	W. H. Winans	.....	" 8 "
Sept. 4, 1869	Geo. H. Shirley	.....	" 8 "
Sept. 6, 1869	F. W. J. Sizer	.....	" 8 "
Sept. 14, 1869	E. D. Conpery, jr.	.....	" 8 "
Sept. 16, 1869	John A. Meek	.....	" 8 "
Sept. 25, 1869	B. H. Nadal	.....	" 8 "
Oct. 1, 1869	John Allen	.....	" 8 "
Oct. 1, 1869	Isaac D. Balch	.....	" 8 "
Oct. 11, 1869	Jas. T. Collyer	.....	" 8 "
Oct. 25, 1869	J. B. Whitlock	.....	" 8 "
Oct. 29, 1869	J. Watson Jones	.....	" 8 "
Oct. 30, 1869	G. Ten Eyck Sheldon	.....	" 8 "
Oct. 30, 1869	John V. Williams	.....	" 8 "
Nov. 1, 1869	James Carle	.....	" 7 "
Nov. 1, 1869	W. S. Gerrish	.....	" 7 "
Nov. 5, 1869	Samuel Mines	.....	" 7 "
Nov. 12, 1869	Geo. Barrow	.....	" 7 "
Nov. 13, 1869	Geo. W. Bungay	.....	" 7 "
Nov. 19, 1869	John H. Dumond	.....	" 7 "
Nov. 19, 1869	J. Day Smith	.....	" 7 "
Nov. 26, 1869	Mason Ferris	.....	" 7 "
Dec. 1, 1869	M. H. Chapel	.....	" 7 "
Dec. 6, 1869	Thos. W. Cartwright	.....	" 7 "
Dec. 6, 1869	W. B. Crowell	.....	" 7 "
Dec. 7, 1869	N. G. Williams	.....	" 7 "
Dec. 13, 1869	W. M. Stuart	.....	" 7 "
Dec. 28, 1869	F. F. Baury	.....	" 7 "
Dec. 28, 1869	David Gillies	.....	" 7 "
Dec. 28, 1869	J. W. Hogeboom	.....	" 7 "
Dec. 31, 1869	D. P. Quackenbush	.....	" 7 "

APPENDIX F.—Names of employes holding office, &c.—Continued.

			About 7 years.
Jan. 4, 1870	Thos. Hagan	.....	" 7 "
Jan. 8, 1870	Jas. H. Will	.....	" 7 "
Jan. 31, 1870	David E. Austen	.....	" 7 "
Jan. 31, 1870	E. N. Sheldon	.....	" 7 "
Feb. 7, 1870	O. M. Clanharty	.....	" 7 "
Feb. 7, 1870	Robert Schwartzkopf	.....	" 7 "
Feb. 10, 1870	Alexr. Graham	.....	" 7 "
Feb. 11, 1870	Alexr. Johnston	.....	" 7 "
Feb. 14, 1870	J. F. Ames	.....	" 7 "
Feb. 14, 1870	Levi Grosvenor	.....	" 7 "
Feb. 14, 1870	M. H. Walker	.....	" 7 "
Feb. 15, 1870	John P. Hone	.....	" 7 "
Feb. 15, 1870	Stephen Shangle	.....	" 7 "
Feb. 24, 1870	J. Henry Storey	.....	" 7 "
March 1, 1870	A. J. Wilkinson	.....	" 7 "
March 8, 1870	Job L. Potter	.....	" 7 "
March 10, 1870	A. D. Whitehouse	.....	" 7 "
March 14, 1870	E. St. Clair Clark	.....	" 7 "
April 1, 1870	R. H. Gray	.....	" 7 "
April 1, 1870	Garrett J. Sullivan	.....	" 7 "
April 5, 1870	James M. Russell	.....	" 7 "
April 12, 1870	M. Lowenstein	.....	" 7 "
April 12, 1870	Frank Meyer	.....	" 7 "
April 15, 1870	Jas. Whytal	.....	" 7 "
April 21, 1870	James Webb	.....	" 7 "
April 23, 1870	Jas. S. Bangs	.....	" 7 "
April 25, 1870	Jas. R. McNaughton	.....	" 7 "
April 25, 1870	Benj. S. Steen	.....	" 7 "
April 30, 1870	John C. Lane	.....	" 7 "
April 30, 1870	Sam'l T. Lappin	.....	" 7 "
May 6, 1870	Wm. Speiden	.....	" 7 "
May 9, 1870	Wm. H. Milgate	.....	" 7 "
May 31, 1870	John Mitchell	.....	" 7 "
June 2, 1870	Joseph Dumble	.....	" 7 "
June 2, 1870	R. J. Johnston	.....	" 7 "
June 13, 1870	John Van Deventer	.....	" 7 "
June 16, 1870	Wm. Gerity	.....	" 7 "
June 16, 1870	J. G. Armstrong	.....	" 7 "
June 18, 1870	Edw'd F. Denike	.....	" 7 "
June 20, 1870	H. De F. Young	.....	" 7 "
June 23, 1870	Henry Waldo	.....	" 7 "
June 25, 1870	Samuel Hepburn	.....	" 7 "
July 25, 1870	John J. O'Brien	.....	" 7 "
Aug. 1, 1870	Joseph C. Scully	.....	" 7 "
Aug. 3, 1870	Samuel J. Jacobs	.....	" 7 "
Aug. 10, 1870	Naiman Ettinge	.....	" 7 "
Aug. 13, 1870	E. M. Rosenbaum	.....	" 7 "
Aug. 18, 1870	John Brophy	.....	" 7 "
Aug. 18, 1870	H. J. Hite	.....	" 7 "
Aug. 27, 1870	Samuel Wallace	.....	" 7 "
Aug. 31, 1870	Edw'd Roberts	.....	" 7 "
Sept. 3, 1870	W. L. Jones	.....	" 7 "
Sept. 19, 1870	J. L. Rohner	.....	" 7 "
Sept. 26, 1870	Geo. C. Dennis	.....	" 7 "
Sept. 26, 1870	Wm. Glaser	.....	" 7 "
Sept. 26, 1870	Jas. Jackson	.....	" 7 "
Sept. 26, 1870	John H. Kimberly	.....	" 7 "
Sept. 26, 1870	Peter Kearns	.....	" 7 "
Oct. 1, 1870	Arad Gilbert	.....	" 7 "
Oct. 4, 1870	John N. Lanthier	.....	" 7 "
Oct. 4, 1870	Knox McAfee	.....	" 7 "
Oct. 6, 1870	Jas. C. Aitken	.....	" 7 "
Oct. 6, 1870	W. A. Childs	.....	" 7 "
Oct. 6, 1870	Francis Page	.....	" 7 "
Oct. 7, 1870	Chester J. Moore	.....	" 7 "
Oct. 8, 1870	Wm. V. Leggett	.....	" 7 "
Oct. 10, 1870	C. L. Alvard	.....	" 7 "

APPENDIX F.—Names of employes holding office, &c.—Continued.

			About 7 years.
Oct. 10, 1870.....	Chas. Blackie		" 7 "
Oct. 10, 1870.....	J. K. Butler		" 7 "
Oct. 10, 1870.....	J. W. Bremer.....		" 7 "
Oct. 10, 1870.....	J. W. Cronkhite.....		" 7 "
Oct. 10, 1870.....	Isaac Kohn.....		" 7 "
Oct. 10, 1870.....	Geo. S. McWatters.....		" 7 "
Oct. 10, 1870.....	Wm. M. Peebles.....		" 7 "
Oct. 10, 1870.....	Samuel Rothschild.....		" 7 "
Oct. 10, 1870.....	Theo. Steltz.....		" 7 "
Oct. 12, 1870.....	Alfred Douglass.....		" 7 "
Oct. 13, 1870.....	Wm. J. O'Bryan.....		" 7 "
Oct. 14, 1870.....	Wm. Edwards.....		" 7 "
Oct. 14, 1870.....	J. C. Watson.....		" 7 "
Oct. 17, 1870.....	Andrew A. Foster.....		" 7 "
Oct. 17, 1870.....	A. Mulligan.....		" 7 "
Oct. 17, 1870.....	K. N. Prince.....		" 7 "
Oct. 17, 1870.....	R. K. Sanford.....		" 7 "
Oct. 18, 1870.....	William Starritt.....		" 7 "
Oct. 24, 1870.....	T. S. Northup.....		" 7 "
Oct. 25, 1870.....	J. H. Edson.....		" 7 "
Oct. 31, 1870.....	Matthew Davis.....		" 7 "
Oct. 31, 1870.....	Edwin M. Estabrook.....		" 7 "
Oct. 31, 1870.....	Louis Froelich.....		" 7 "
Nov. 9, 1870.....	Jas. H. Clark.....		" 6 "
Nov. 9, 1870.....	Clark F. Wager.....		" 6 "
Nov. 10, 1870.....	Geo. D. Carroll.....		" 6 "
Nov. 10, 1870.....	Michael Costello.....		" 6 "
Nov. 16, 1870.....	N. B. Bartram.....		" 6 "
Nov. 18, 1870.....	John Kedzie.....		" 6 "
Nov. 18, 1870.....	W. C. Maitland.....		" 6 "
Nov. 21, 1870.....	Edward Carney.....		" 6 "
Nov. 22, 1870.....	Ledyard S. Cuyler.....		" 6 "
Nov. 23, 1870.....	James Conchie.....		" 6 "
Nov. 23, 1870.....	Aaron McCall.....		" 6 "
Nov. 23, 1870.....	D. T. Neligan.....		" 6 "
Nov. 23, 1870.....	Joseph Walters.....		" 6 "
Dec. 2, 1870.....	Geo. W. Hart.....		" 6 "
Dec. 7, 1870.....	John A. Miller.....		" 6 "
Dec. 7, 1870.....	S. H. Slosson.....		" 6 "
Dec. 8, 1870.....	L. G. Webster.....		" 6 "
Dec. 10, 1870.....	Peter Carley.....		" 6 "
Dec. 10, 1870.....	B. A. Mayereau.....		" 6 "
Dec. 10, 1870.....	Wm. H. Maddox.....		" 6 "
Dec. 10, 1870.....	Henry Osterheld.....		" 6 "
Dec. 10, 1870.....	Chas. H. Rogers.....		" 6 "
Dec. 10, 1870.....	W. D. Sloane.....		" 6 "
Dec. 12, 1870.....	Ashbel Denison.....		" 6 "
Dec. 12, 1870.....	P. B. Nichols.....		" 6 "
Dec. 13, 1870.....	John P. Compton.....		" 6 "
Dec. 14, 1870.....	Hallet T. Clock.....		" 6 "
Dec. 14, 1870.....	Edward S. Payne.....		" 6 "
Dec. 19, 1870.....	Wm. H. Ross.....		" 6 "
Dec. 20, 1870.....	John E. Hunt.....		" 6 "
Dec. 20, 1870.....	A. M. Perrin.....		" 6 "
Dec. 23, 1870.....	Robert Crowe.....		" 6 "
Dec. 27, 1870.....	Gilbert Dayton.....		" 6 "
Dec. 27, 1870.....	Geo. L. Kilborn.....		" 6 "
Dec. 31, 1870.....	Edward A. Dunham, jr.....		" 6 "
Dec. 31, 1870.....	John H. Powers.....		" 6 "
Dec. 31, 1870.....	John J. Pollok.....		" 6 "
Dec. 31, 1870.....	S. Alphens Smith.....		" 6 "
Dec. 31, 1870.....	Wm. Schefer.....		" 6 "
Dec. 31, 1870.....	Jacob Smith.....		" 6 "
Dec. 31, 1870.....	Raphael Weil.....		" 6 "
Jan. 9, 1871.....	Samuel G. Acton.....		" 6 "
Jan. 9, 1871.....	Chauncey B. Fowler.....		" 6 "
Jan. 9, 1871.....	Andrew Gregory, jr.....		" 6 "

APPENDIX F.—Names of employes holding office, &c.—Continued.

Jan. 9, 1871.....	Samuel R. Deggett.....	About 6 years.
Jan. 9, 1871.....	Louie Lounsberry.....	" 6 "
Jan. 9, 1871.....	Robert J. Morgan.....	" 6 "
Jan. 9, 1871.....	Butler G. Noble.....	" 6 "
Jan. 9, 1871.....	A. H. Phillips.....	" 6 "
Jan. 9, 1871.....	Samuel P. Russell.....	" 6 "
Jan. 9, 1871.....	H. D. Stanwood.....	" 6 "
Jan. 10, 1871.....	Asa Willey.....	" 6 "
Jan. 11, 1871.....	Thomas B. Doane.....	" 6 "
Jan. 12, 1871.....	John E. Collins.....	" 6 "
Jan. 14, 1871.....	James Foster.....	" 6 "
Jan. 14, 1871.....	Wm. B. Oliver.....	" 6 "
Jan. 16, 1871.....	Julius Stavenow.....	" 6 "
Jan. 17, 1871.....	A. W. Geer.....	" 6 "
Jan. 17, 1871.....	Alfred Mabie.....	" 6 "
Jan. 19, 1871.....	C. B. A. Spannert.....	" 6 "
Jan. 20, 1871.....	Patrick Quinn.....	" 6 "
Jan. 21, 1871.....	Donald McDonald.....	" 6 "
Jan. 24, 1871.....	Levi A. Farr.....	" 6 "
Jan. 24, 1871.....	M. D. Moore.....	" 6 "
Jan. 24, 1871.....	J. Henry Smith.....	" 6 "
Jan. 25, 1871.....	O. D. W. Brown.....	" 6 "
Jan. 25, 1871.....	W. V. H. Cartelyon.....	" 6 "
Jan. 25, 1871.....	P. J. Minter.....	" 6 "
Jan. 30, 1871.....	T. P. Wheeler.....	" 6 "
Feb. 2, 1871.....	Jas. L. Farley.....	" 6 "
Feb. 4, 1871.....	Wm. D. Hicks.....	" 6 "
Feb. 8, 1871.....	B. F. Bozard.....	" 6 "
Feb. 8, 1871.....	Geo. W. Francis.....	" 6 "
Feb. 9, 1871.....	Peter J. Munro.....	" 6 "
Feb. 10, 1871.....	Chas. A. Gage.....	" 6 "
Feb. 11, 1871.....	Levi B. Morey.....	" 6 "
Feb. 23, 1871.....	Lewis M. Cohen.....	" 6 "
Feb. 23, 1871.....	Andrew Dodds.....	" 6 "
Feb. 23, 1871.....	Wm. F. Harradon.....	" 6 "
Feb. 23, 1871.....	John Kyle.....	" 6 "
Feb. 24, 1871.....	Chas. E. Leveridge.....	" 6 "
Feb. 24, 1871.....	Chas. McColley.....	" 6 "
Feb. 25, 1871.....	Eneas Elliott.....	" 6 "
Feb. 25, 1871.....	E. D. Potter.....	" 6 "
Feb. 25, 1871.....	Thos. Scanlin.....	" 6 "
March 3, 1871.....	Wm. M. Fowler.....	" 6 "
March 8, 1871.....	E. Vantambacht.....	" 6 "
March 11, 1871.....	Henry Haff.....	" 6 "
March 14, 1871.....	Daniel Hease.....	" 6 "
March 14, 1871.....	R. G. Waters.....	" 6 "
March 16, 1871.....	Thos. G. Baker.....	" 6 "
March 20, 1871.....	Hamilton Reeve, jr.....	" 6 "
March 27, 1871.....	Heman Blodgett.....	" 6 "
March 27, 1871.....	Thos. Bell.....	" 6 "
March 31, 1871.....	M. H. Lawrence, jr.....	" 6 "
March 31, 1871.....	Chas. S. Tunis.....	" 6 "
April 1, 1871.....	Wm. Cox.....	" 6 "
April 3, 1871.....	Dennis Burns.....	" 6 "
April 5, 1871.....	Jacob Swartz, jr.....	" 6 "
April 6, 1871.....	Wm. Handley.....	" 6 "
April 6, 1871.....	John Pullman.....	" 6 "
April 19, 1871.....	H. B. Lord.....	" 6 "
April 24, 1871.....	Hiram Wiard.....	" 6 "
April 26, 1871.....	Richard W. Bush.....	" 6 "
April 26, 1871.....	James Bryan.....	" 6 "
April 26, 1871.....	Horace F. Curtis.....	" 6 "
April 26, 1871.....	Ferdinand de Wigne.....	" 6 "
May 1, 1871.....	Alexander B. Douglass.....	" 6 "
May 2, 1871.....	Alonzo Bliss.....	" 6 "
May 2, 1871.....	Jeremiah Drew.....	" 6 "
May 3, 1871.....	Samuel W. Clay.....	" 6 "

APPENDIX F.—*Names of employes holding office, &c.*—Continued.

May	3, 1871.....	Melanethon H. Curtis.....	About 6 years.
May	10, 1871.....	Wm. G. Rankin.....	" 6 "
May	14, 1871.....	Jeremiah Conley.....	" 6 "
May	15, 1871.....	Matthew Hicks.....	" 6 "
May	15, 1871.....	Mortimore Selkreg.....	" 6 "
May	16, 1871.....	Robert Edwards.....	" 6 "
May	18, 1871.....	Frank Bury.....	" 6 "
May	18, 1871.....	Fred'k Johnson.....	" 6 "
May	19, 1871.....	Benj. Van Riper.....	" 6 "
May	23, 1871.....	James M. Wheeler.....	" 6 "
May	25, 1871.....	F. M. Buell.....	" 6 "
May	31, 1871.....	Wm. Lee Darling.....	" 6 "
May	31, 1871.....	Thos. J. Kelley.....	" 6 "
June	1, 1871.....	David McBride.....	" 6 "
June	2, 1871.....	Robert Vosburgh.....	" 6 "
June	6, 1871.....	Thos. Bates.....	" 6 "
June	8, 1871.....	Edw'd A. Birnie.....	" 6 "
June	9, 1871.....	C. S. Babcock.....	" 6 "
June	11, 1871.....	Chas. C. Shaw.....	" 6 "
June	12, 1871.....	Wm. De Angelis.....	" 6 "
June	16, 1871.....	Wm. H. Grace.....	" 6 "
June	26, 1-71.....	Rich'd P. Egan.....	" 6 "
June	27, 1871.....	John French, jr.....	" 6 "
July	1, 1871.....	Chas. Huck.....	" 6 "
July	1, 1871.....	William Morgan.....	" 6 "
July	6, 1871.....	Geo. C. Kibbie.....	" 6 "
July	6, 1871.....	D. W. Sims.....	" 6 "
July	7, 1871.....	B. Montague.....	" 6 "
July	20, 1871.....	John Birdsall.....	" 6 "
July	27, 1871.....	John Stewart.....	" 6 "
Aug.	1, 1871.....	Edw'd W. Simonds.....	" 6 "
Aug.	3, 1871.....	A. Eugenie Upham.....	" 6 "
Aug.	5, 1871.....	John McKenzie.....	" 6 "
Aug.	12, 1871.....	Selah W. Brower.....	" 6 "
Aug.	17, 1871.....	Stephen S. Doty.....	" 6 "
Aug.	17, 1871.....	A. H. McMeekin.....	" 6 "
Aug.	18, 1871.....	Geo. A. Booth.....	" 6 "
Aug.	21, 1871.....	James H. Holmes.....	" 6 "
Aug.	30, 1871.....	Thos. W. Baird.....	" 6 "
Sept.	1, 1871.....	J. H. Meredith.....	" 6 "
Sept.	1, 1871.....	James Owens.....	" 6 "
Oct.	2, 1871.....	T. J. Donohue.....	" 6 "
Oct.	5, 1871.....	Thos. C. Lupton.....	" 6 "
Oct.	7, 1871.....	John H. Brady.....	" 6 "
Oct.	7, 1871.....	Jesse Segoine.....	" 6 "
Oct.	9, 1871.....	F. W. Welp.....	" 6 "
Oct.	11, 1871.....	Wm. S. Langdon.....	" 6 "
Oct.	11, 1871.....	Mortimer C. Lee.....	" 6 "
Oct.	11, 1871.....	F. J. Ottarson.....	" 6 "
Oct.	13, 1871.....	John N. Ladue.....	" 6 "
Oct.	14, 1871.....	F. C. Inlay.....	" 6 "
Oct.	17, 1871.....	Alex. H. Keech.....	" 6 "
Oct.	28, 1871.....	J. W. Byron.....	" 6 "
Oct.	28, 1871.....	David Wilson.....	" 6 "
Oct.	30, 1871.....	Edward Dennis.....	" 6 "
Nov.	2, 1871.....	James B. Presdee.....	" 5½ "
Nov.	10, 1871.....	James Donaghe.....	" 5½ "
Nov.	11, 1871.....	Frank T. Barker.....	" 5½ "
Nov.	13, 1871.....	Aug. D. Lumburger.....	" 5½ "
Nov.	13, 1871.....	Geo. Williams.....	" 5½ "
Nov.	14, 1871.....	Hugh Maguire.....	" 5½ "
Nov.	16, 1871.....	Wm. Merten.....	" 5½ "
Nov.	18, 1871.....	Alvin Rose.....	" 5½ "
Nov.	20, 1871.....	Chas. Cumberson.....	" 5½ "
Nov.	29, 1871.....	M. C. Hart.....	" 5½ "

Recapitulation of report by Collector Arthur of employes now in office who held office prior to December 1, 1871.

1 employe has been in office 48 years.	4 employes have been in office 14 years.
1.....do.....do.....45 "	13.....do.....do.....13 "
1.....do.....do.....36 "	14.....do.....do.....12 "
1.....do.....do.....35 "	17.....do.....do.....11 "
1.....do.....do.....28 "	23.....do.....do.....10 "
1.....do.....do.....25 "	26.....do.....do.....9 "
1.....do.....do.....24 "	120.....do.....do.....8 "
2.....do.....do.....23 "	107.....do.....do.....7 "
2.....do.....do.....22 "	166.....do.....do.....6 "
1.....do.....do.....21 "	10.....do.....do.....5½ "
1.....do.....do.....18 "	
10.....do.....do.....16 "	531, total.
2.....do.....do.....15 "	

APPENDIX G.

COLLECTOR'S OFFICE, May 1, 1877.

Statement showing the number of persons employed, with the number and percentage of removals, under the administrations of the following-named collectors:

Collector.	Term.	Number employed.	Number of removals.	Percentage for term.	Percentage for year.
Whell	4 years	690	389	57	14
Harney	3 years 6 months	702	525	75	21
Trapper	1 year	776	117	15	15
Wythe	3 years	903	830	92	30
Grinnell	16 months	892	510	57	38
Murphy	12 months	923	338	36½	24
Arthur	5 years 4 months	1,011	144	14½	2½

APPENDIX H.

Total number of persons employed in customs service, comprising the departments of the collector, naval officer, surveyor, and appraiser, from 1857 to 1877, yearly.

June 30, 1857.....	1,083	June 30, 1868.....	1,165
June 30, 1858.....	1,049	June 30, 1869.....	1,144
June 30, 1859.....	1,084	June 30, 1870.....	1,193
June 30, 1860.....	1,101	June 30, 1871.....	1,235
June 30, 1861.....	1,032	June 30, 1872.....	1,302
June 30, 1862.....	1,103	June 30, 1873.....	1,338
June 30, 1863.....	1,056	June 30, 1874.....	1,562
June 30, 1864.....	1,078	June 30, 1875.....	1,390
June 30, 1865.....	1,164	June 30, 1876.....	1,390
June 30, 1866.....	1,116	April 30, 1877.....	1,366
June 30, 1867.....	1,075		

APPENDIX L.

Value of imports into the port of New York from July 1, 1857, to February 28, 1877.

Collector.	Fiscal year.	Value of im-ports.	Cost of collection, per-centage.
Augustus Schell	1857-1858	\$170,280,887	\$845,171,195. About .59 per cent.
	1858-1859	218,231,093	
	1859-1860	233,692,941	
Hiram Barney	1860-1861	222,966,274	\$850,188,449. About .87½ per cent.
	1861-1862	143,427,535	
	1862-1863	177,254,415	
	1863-1864	229,506,499	\$154,161,213. About 1.30 per cent.
Simeon Draper	1864-1865	154,161,213	
Preston King	1865-1866	302,504,331	\$302,504,331. About .63½ per cent.
Henry A. Smythe	1866-1867	277,445,910	
	1867-1868	242,818,133	
	1868-1869	340,619,234	\$333,901,774. .85+ per cent.
Moses H. Grinnell	1869-1870	333,901,774	
Thomas Murphy	1870-1871	367,843,379	
	July 1 to Nov. 30, 1871.	158,213,549	About .60—per cent.
	<i>Calendar years.</i>		
Chester A. Arthur	Dec. 1 to 31, 1871	25,609,330	\$1,966,644,606. About .62—per cent.
	1872	437,233,538	
	1873	403,881,832	
	1874	390,938,533	
	1875	343,304,453	
	1876	310,279,200	
	Jan. 1 to Feb. 28, 1877.	55,397,720	

SECOND REPORT OF THE COMMISSION ON THE NEW YORK CUSTOM-HOUSE, AND INSTRUCTIONS RELATING THERETO.

NEW YORK, July 4, 1877.

SIR: Since submitting, on the 14th of June, our "separate report upon drawbacks on sugar," we have considered, in connection with your original instruction to make a thorough examination into the conduct of the business of the New York custom-house, your later request of the 23d of April, touching the salaries now paid officials, the amount of which is not fixed by law. You said, "I will thank you to examine this question, and report to me a plan for their classification on such a basis as shall be just and proper, taking into view the responsibility and character of the work done by the different officers to whom they are paid. The impression seems to prevail that the salaries and perquisites heretofore received by certain custom-house officials have been unnecessarily large, and that those now paid are generally in advance of those paid by New York merchants for similar services."

In considering "the responsibility and character of the work," which has been illustrated by the testimony on the various branches of the customs service, we have regarded the subject in the light afforded by the President's letter concurring in the recommendations of our first report, and by your instructions to the collector for carrying the President's wishes into effect. Apart from the fact that the force is to be reduced by one-fifth—a percentage of reduction which in some branches the commission think may perhaps soon be safely increased, and that the receipt of illegal perquisites will no longer be permitted—the rule

freeing the service from partisan control will give to the duties and responsibilities of the officials whose salaries are to be adjusted a higher and graver character than that which marked the former management, which we were asked to investigate.

The President, in his note to you of the 26th of May, said: "It is my wish that the collection of the revenues should be free from partisan control, and organized on a strictly business basis, with the same guarantees for efficiency and fidelity in the selection of the chief and subordinate officers that would be required by a prudent merchant."

Your order to the collector of the port, communicating the President's note and directing a reduction of the force, presented the rule "to employ only those who are competent for the special work assigned them, whose industry, integrity, and good habits give guarantees for faithful services honestly rendered;" and it concluded with the assurance of your assistance in making the "New York custom-house not only what it now is, the most important, but what it ought to be, the best-managed business agency of the Government." To accomplish this end, we think that modifications are required in the routine, and that the acts of Congress relating to the customs should be revised; but an essential preliminary to success is the carrying out in good faith of the order already made in reference to the fitness of the employés. A glance at the character and results of the past system may help to illustrate the higher responsibilities that will henceforth devolve upon the officials whose compensation we are to consider.

For many years past, the view has obtained with some political leaders that the friends of the Administration in power had a right to control the customs appointments; and this view, which seems to have been acquiesced in by successive administrations, has of late been recognized to what the commission deems an undue extent by the chief officers of the service. These gentlemen, on the ground that they were compelled to surrender to personal and partisan dictation, appear to have assumed that they were relieved, in part at least, from the responsibilities that belong to the appointing power.

The collector of the port, in speaking of the "ten thousand applications," and remarking that the urgency for appointments came from men all over the country, added, "the persons for whom it is made bear their proportion of the responsibility for the character of the whole force."

The extent of the responsibility which one of these persons showed himself ready to assume was indicated by the surveyor when he said:

I had within the last two weeks a letter from a gentleman holding a high official position in regard to the appointment of an officer whom he knows has been dropped three times from the service for cause. He has also been to see me about him, and the last time he came he admitted to me that he had been engaged in defrauding the revenue; and yet he writes me calling my attention to the case, and requesting his appointment.

It is satisfactory to know that the defaulting employé thus urged, after three dismissals, was not re-appointed. The inconvenience to the chiefs of the service from this system of appointments, and its interference with the right performance of the duties of their departments, were thus indicated by the surveyor:

With reference to the appointments that are made we do not always know the men we are getting, especially when they are appointed from the western part of this State, or from the State of Iowa, as is the case sometimes. A member of Congress may recommend a man very strongly, and the collector may finally make the appointment without knowing anything about the man.

Question. So that really the very important duty of the Government is intrusted to men you know nothing about when they come?

Answer. Sometimes; yes, sir.

Question. Now, what is the standard of these men; is it high or low, taking the forty-eight or fifty men?

Answer. The debenture officers are considered the least experienced of the inspectors. There are some elderly men who have been in the department for years whom we trust a great deal, and who are not fitted physically for the active duty required of discharging or district officers. I should say also that there are others there whose education had not qualified them for the higher grades of work. This remark applies to about one-half of the officers in the debenture-room.

The collector had already remarked in his testimony that "the larger number of complaints probably come from the surveyor of the port," and on being asked their character, said:

Some are for inefficiency, some are for neglect of duty, some for inebriety, and some for improper conduct in various ways; some for want of integrity, and some for accepting bribes.

The investigation showed that ignorance and incapacity on the part of the employes were not confined to the surveyor's department, but were found in other branches of the service—creating delays and mistakes, imperilling the safety of the revenue and the interests of importers, and bringing the service into reproach. It was intimidated by chiefs of departments that men were sent to them without brains enough to do the work, and that some of those appointed to perform the delicate duties of the appraiser's office, requiring the special qualities of an expert, were better fitted to hoe and to plow. Some employes were incapacitated by age, some by ignorance, some by carelessness and indifference; and parties thus unfitted have been appointed, not to perform routine duties distinctly marked, but to exercise a discretion in questions demanding intelligence and integrity, and involving a large amount of revenue.

The evidence shows a degree and extent of carelessness which we think should not be permitted to continue. This point was illustrated to some degree by the testimony of the chiefs of the appraiser's department, the important duties of which would certainly justify a reasonable exactness. The invoices, which are recorded in that office, and which are sent out to the different divisions to be passed upon and then returned to the chief clerk, are found to exhibit on their return errors on the part of the several divisions, according to one witness, of nearly eight hundred errors a month, although the number by the appraiser was estimated at a lesser figure. A part of these errors may be assigned to a difference of opinion as to the classification of the goods; but fully one-half are attributed to carelessness. At the naval office it was stated that the balance in favor of the Government, of the many and large errors which they discover in the custom-house accounts of the liquidation of vessels and statements of refund, amounts to about a million and a half of dollars per annum.

The evidence touched also upon a want of integrity on the part of officials in the customs-service, and incidentally upon the constant violation by many importers dealing with them of the provisions of the law of Congress, section 5452, which declares "Every person engaged in the importation of goods, wares, or merchandise into the United States, or interested as principal, clerk, or agent in the entry of any goods, wares, or merchandise, who at any time makes or offers to make to any officer of the revenue any gratuity or present of any money or other thing of value, shall be fined not more than five thousand dollars, or be imprisoned not more than two years."

This law, as it was frankly admitted, has become a dead letter, and the surveyor testified that he had known no prosecutions under it. The dis-

regard by merchants and their clerks and by custom-house brokers of the provisions against outside fees, however plausible the apology for occasional payments for extra work, has resulted in the virtual ignoring of the act by custom-house officials, who have enlarged their salaries by the addition of irregular fees, emoluments, gratuities, and perquisites; has demoralized the service, and has given persons employed as agents the opportunity of exacting from merchants fees which they pretend to have paid to officials.

The evidence, however, showed that the fees actually paid amounted to large sums in addition to the salaries.

The commission asked the collector, the naval officer, and the surveyor to advise them which subdivisions in their respective offices were most exposed to a violation of law, by the acceptance of gratuities or by complicity in frauds.

The replies of those officers (Appendices J, K, and L) indicate the danger to which the Government and the merchants are exposed if persons open to temptation are admitted to those departments.

They may serve, also, to explain the evidence which seems to confirm the remark of the naval officer, that "those clerks whose administrative action may accelerate or retard business, or otherwise affect the interests of importers, are but human, and wherever there is a coincidence of temptation, frailty, and opportunity, there can be naturally but one result."

An opinion, however, was expressed that there would be no difficulty in putting a stop to the practice of fees paid for services not contemplated by law, without summary dismissals; that if employes knew that their superiors were opposed to the system of illegal charges, they would soon cease to exact them.

Irregularities have been disclosed among the inspectors, weighers, and gaugers, the examiners, samplers, and appraisers, men dealing with enormous values; and these disclosures, considered in connection with the views expressed by the collector, surveyor, and naval officer on the liability of employes to temptation, sufficiently indicate the peril to which both the Government and the merchants were exposed by a system of appointments in which political influence dispensed with fitness for the post. Without stopping to inquire how much has been lost through incapacity, want of integrity, loose management, and dishonest practices, it was shown to the commission that, while the Government loses much of its revenue, the complaint is rife that the maladministration of the customs-service has burdened the merchants, driven trade from New York to other ports, and caused the abandonment of certain businesses by honorable houses, who cannot compete with less scrupulous rivals supposed to act in collusion with dishonest officials.

Touching the economy of the management of the customs, it was submitted on the part of the Chamber of Commerce, comparing the duties, imports, and expenses of the collection of the revenue in Great Britain and America, that in 1874 the imports of Great Britain exceeded \$1,800,000,000, and her exports exceeded \$1,500,000,000, and that the expense of collecting the customs was \$5,000,000; the same year our imports were \$642,000,000, and our exports \$575,000,000—little more than one-third of those of Great Britain—and that the expense of collecting our revenue was about \$7,000,000. An exact comparison is less easy from the fact that in England the dutiable articles are forty in number, and the average duty on all imports about 5 per cent., while with us there are seventeen hundred dutiable articles, and the average duty on all imports is 30 per cent.

It was added, "the customs-service of Great Britain assists the merchant in every way it can, while ours obstructs and hinders."

With the abolition of irregular fees will disappear one motive for obstructing and hindering importers; and when, after such revisions of the force as may be found desirable, each employé shall feel that he owes his place no longer to political influence, but to his own character, efficiency, and merits, the chief step toward the restoration of the service will have been accomplished—a restoration not to be expected while the appointments rest on partisan influence.

Dating from the establishment of duties at New Amsterdam, by the Dutch West India Company, nearly two centuries and a half ago, the New York custom-house has historic memories and associations which will tend to increase the satisfaction with which citizens of New York and the nation at large would greet its recognition, at home and abroad, as the best-managed business agency of the country; one that will serve as an example of republican excellence and enhance the American pride of country. To this work the commission feel assured that the officers who have passed their lives in the service and the honorable merchants of New York will gladly unite in lending their assistance.

In furtherance of this idea, we are of opinion that a revision of the force, at stated times, would be essential, and that it should be fairly understood by each officer and man that the Government expects them to maintain a standard of capacity and fidelity proportioned to the public interests, and such as would be demanded by a prudent merchant.

Touching the scale of salaries and their classification, in view of existing circumstances, with the force reduced, the hours for work enlarged, outside fees abolished, and the duties and responsibilities of the employés measured by a higher rule the commission beg leave to submit a plan with rates not below those now paid, and which they do not regard as materially larger than those which, notwithstanding the recent fall in values, are still paid by merchants and institutions in New York for similar services. Take, for instance, the principal fiscal officers of the customs subordinate to the collector, the auditor and cashier of the collector. The latter collects from one hundred to one hundred and fifty millions per annum, sometimes over one million in a single day, and the former has the supervision of this immense revenue, and is charged with seeing that it is faithfully accounted for to the Government; while he is also disbursing agent, disbursing on his own check from six to eight millions annually. These duties and responsibilities are not inferior to those of bank presidents or cashiers, whose compensation is frequently in this city not below \$10,000 per annum, while these customs officers receive but \$7,000 and \$5,000, respectively. The importance of the service of these officers was recognized at an early date. Not being named in the law, they came under the general classification as clerks, whose compensation (R. S., sec. 2634) the Secretary of the Treasury was authorized to fix. On the 7th of July, 1838, Congress passed a law limiting the compensation of deputy collectors, weighers, gaugers, and measurers, and all other officers, except collectors and naval officers, surveyors and *clerks*—the language is significant—to \$1,500 per annum. Accordingly, in those days, the auditor and cashier to the collector were allowed \$3,000 each per annum, or double the pay of a deputy collector. We think, therefore, that the salaries of these officers at present paid are not excessive. The salaries of the chief assistants of the auditor and cashier, two in number, should bear some proportion to those paid their principals, and we approve the salaries received by them at present, viz, \$3,500 to each, as meeting such requirement.

The office of assistant collector having become vacant, the chief clerk of that officer is charged with the performance of the duties formerly devolving on the assistant collector. We think that he should have \$4,000 while he performs this duty.

There are two other chief clerks whose salaries are now equal to that of a deputy collector, but whose duties are perhaps more important. We refer to the chief clerk of the fifth division, who guides and directs the entry and liquidating clerks in the proper assessment of imports, and the chief liquidator of the auditor's office, who has also charge of the voluminous correspondence relating to protests and appeals; both positions requiring a thorough knowledge of the tariff laws and a strict attention to duty.

We think that each of these clerks should receive \$3,000, the amount at present paid them, and that the remaining chief clerks should each receive, as at present, \$2,500 per annum. That the remaining clerks in the collector's office should be graded, according to duties and abilities, into five classes, to wit, at \$2,200, \$1,800, \$1,600, \$1,400, and \$1,200 per annum, with two grades of messengers at \$840 and \$720 per annum.

That the first class should embrace the entry, amendment, and liquidating clerks. The duties of these clerks, in adjusting and estimating the imposts assessed, require talent of a high order, and are vital to the proper collection of the revenue.

That the other clerks of the collector's office should be graded by the collector in one or other of the classes mentioned, according to duties and ability.

We also recommend that the comptroller of the naval office and the auditor of the surveyor's office be each paid a salary of \$5,000 per annum, provided they hold the office of clerk only.

We would recommend similar plans of gradation in respect to salaries not fixed by law for the clerks in the naval and surveyor's offices, as well as in the appraiser's office.

We also regard the present salaries of some of the examiners in the appraiser's office as too low, and we think that each man qualified for the office should receive the maximum salary of \$2,500.

At London, while there is no customs officer who receives as much as the collector at New York, with a salary of \$12,000, the average salaries of the upper officials is beyond the average of ours of the same relative positions in the service.

In Paris, where it is said no government is more exacting in the performance of duty, and that none is more faithfully served, the salaries are much smaller. But the French service has features which cause places to be sought with eagerness by men fitted for the work. The fitness of candidates is ascertained with care. A system of promotion affords a stimulus to exertion and makes the members of the lower class a check upon the higher, while, with good behavior, the incumbent who holds office for thirty years is retired with a pension of about two-thirds of his salary for the rest of his life. In this way the government is said to make the most of human faculties and interests at the smallest cost.

Should Congress, in view of the increasing and ingenious efforts on the part of persons abroad and in this country to evade the laws and defraud the customs, constituting, as has been said, "a standing conspiracy against the Treasury," be impressed with the extent to which the subjection of the customs service to partisan control endangers at once the revenue, the commerce, the industry, and the morality of the country, it will doubtless desire to do its part towards arresting that

peril, and towards securing in the service the tests required by Washington and Jefferson in the youth of the republic—of honesty and capability. Should it, looking simply to the safety of the revenue, confirm, by appropriate legislation, the steps taken by the President, to place the custom-house at New York on a business basis, a simple prohibition of the removal of subordinates, except for cause, would probably enable the Government to reduce somewhat the scale of salaries without detriment to the public interests.

In conclusion, the commission respectfully recommend—

I. The adoption of the scale of salaries herein set forth.

II. The adoption of an order excluding from the custom-house all merchant clerks, custom-house brokers, or other persons who, after the promulgation of the order, shall violate the law against making or offering to make any gratuity or present of any money or other thing of value to any person employed in the customs service.

III. That a revision of the force similar to that directed by your letter to the collector, dated May 28, 1877, be made at stated periods, upon written reports of the chiefs of departments, and that employes found wanting in the capacity, industry, integrity, and good habits referred to in your said letter, or who shall be found guilty of any of the offenses therein specified, be replaced by others, whose good character and fitness for the post shall be ascertained and certified in such manner as the wisdom of the Department shall determine.

All of which is respectfully submitted.

JOHN JAY.
LAW. TURNURE.
J. H. ROBINSON.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington.

TREASURY DEPARTMENT,
Washington, July 24, 1877.

GENTLEMEN: Your second report, of date July 4, was duly received, but action deferred by reason of my temporary absence.

I heartily concur in the general views expressed in your report, and will endeavor to carry them into effect.

The classification of the employes proposed by you is the one prescribed by Congress many years ago for this Department, and is in successful execution, and will be adopted.

Fixing the number of each grade has been the greatest difficulty, the tendency always being to increase the higher grades, and to base the gradation upon the personal merits of the incumbents, rather than upon the nature and character of the duties to be performed by them. I will call upon the collector and naval officer to recommend the number of each grade, and will confer with you further upon receiving their reports.

Your second recommendation, for the adoption of an order excluding from the custom-house all persons who violate the law against making or offering gratuities or presents to persons employed in the customs-service, is approved, and will be executed, and directions will be given to have such cases reported to the district attorney for prosecution, and to the Department.

Your third recommendation, providing for a revision of the force at stated periods, is approved, but this may properly be referred to Con-

gress, or will depend upon the judgment of my successors. No doubt a thorough revision of the number, capacity, and habits of employes would be found to be the most satisfactory guard against abuses.

I am, very respectfully, yours,

JOHN SHERMAN,
Secretary.

Messrs. JOHN JAY, LAWRENCE TURNURE, J. H. ROBINSON,
Committee, Custom-House, New York.

TREASURY DEPARTMENT, *July 24, 1877.*

SIR: Inclosed please find a copy of the second report of the commission on the New York custom-house, of date July 4, 1877, which I have approved.

This report, recommending a classification of the employes similar to that now existing in the Treasury Department, does not fix the number of each grade. I have to request that you will very carefully recommend to me the number of each grade for each branch of your office, within the limits of the number of employes now retained, adopting in your classification these rules:

First. That the number and compensation of employes of a higher grade than class four shall be as recommended in the report.

Second. The classification will depend, not upon the merits of the present employes, but upon the character and nature of the duties performed by them.

Third. That only so many of class four, or the higher grade, shall be assigned to each branch as are necessary to perform duties of a more difficult character, requiring experience, sagacity, and the highest degree of intelligence.

Fourth. That class one shall embrace all those whose duties are merely clerical, and where ordinary intelligence and capacity will enable them to perform their duties.

Fifth. The classification for the other grades will depend upon the nature of the duties performed by employes, and their experience and capacity to discharge them.

I refer you to United States Statutes at Large, vol. 18, p. 396, sec. 2, for the general organization of the Treasury Department; the salaries, however, having been since somewhat reduced by law. This will show the general character of the organization of this Department, to which you will please conform as far as practicable.

Please extend your classification, also, to the two grades of messengers recommended by the committee, giving the number of each grade in each division of your office.

It is better not to name the persons to be assigned to the respective grades until after the number of each grade is determined.

You will please take your own way, by committee of your officers or otherwise, to fix the number of each grade requisite to conduct the business of your office, and make report as early as practicable.

Very respectfully,

JOHN SHERMAN,
Secretary.

Gen. C. A. ARTHUR,
Collector of Customs, New York.

[A similar letter also addressed to A. B. Cornell, esq., naval officer, New York.]

APPENDIX J.

From the Hon. C. A. Arthur, collector.

CUSTOM-HOUSE, NEW YORK CITY,
Collector's Office, May 17, 1877.

SIR: I have received a copy of the order made by your honorable commission on the 3d instant, and have considered the request therein contained, that the collector, naval officer, and surveyor advise the commission which are the departments of the custom-house "most exposed to a violation of law on the part of their subordinates in the acceptance of gratuities or in complicity under any form in attempted frauds upon the revenue."

I shall, of course, speak for the collector's office only as to the departments "most exposed" to a violation of law in the offer and acceptance of "gratuities." I am led by information to name the entry-clerks and the withdrawal entry-clerks, the former in the fifth division and the latter in the third division of this office. They are charged with functions the prompt and rapid performance of which is of great moment to importers in giving to them the speedy possession of their goods. There is, therefore, a reason why merchants and their agents should feel disposed to offer gratuities to these clerks for extraordinary services, and it is easy for them to persuade themselves that there is no harm in such payments, because they do not involve any loss to the Government nor any breach of any moral law. The same considerations would naturally lead to the more ready acceptance by the clerks of the inducements so offered.

It is said that in fact these clerks are compensated by importers for work done at night or out of office-hours, which enables the importer to obtain his goods promptly the next day on those occasions when there arrive so large a number of vessels that it is impossible for the ordinary force during the ordinary hours to pass all the entries which are presented. This occurs not infrequently, and will continue to occur so long as wind and tide are not at men's command. It would not be singular if a custom of giving and receiving gratuities, commenced with so plausible an excuse, should some time extend to cases where there was not the excuse of overwork.

Such a practice, under whatever excuse, is demoralizing and not to be defended. It is asserted, however, that it has existed for more than a quarter of a century. I think that in every one of the numerous examinations which have been made of the custom-house during that period such an abuse has been referred to as existing, but it has never been clearly proved by evidence, and no adequate remedy has ever been devised.

About twenty years ago a plan was adopted by which importers were permitted to lodge their entries with one clerk, whose duty it was to number and register them, and then to distribute them equally among the entry-clerks, who were required to have them ready for delivery in the following morning. This plan was *permissive*, but has been availed of to some extent ever since, particularly late in the day. If it were made *compulsory*, it would go far to remedy the alleged evil, for when the importer or his broker has no voice in the selection of the clerk who is to pass his entries, and, indeed, no knowledge who has them, there would be no reason for giving gratuities.

The compulsory adoption of this system would, however, I fear, involve very annoying results to importers. In the numerous cases where there are errors in the entries as presented by the merchants the entries would necessarily be thrown out, as under the law the merchant or his agent must prepare his own entry. This would involve delay, and, if notice were required to be sent to the merchants, would involve a considerable increase in the force of messengers. In justice to those merchants who prepare their entries correctly at the outset, such amended entries, when returned, must necessarily be taken up for passage as of the date of their return. The result would be frequently, on busy days, that an error which the entry-clerk is now able to point out to the merchant, who can correct it on the spot, would involve a delay of a day in its passage.

No other course, however, occurs to me by which the opportunity could be taken away from the entry-clerks of rendering special services to importers or brokers, and, so long as such opportunity exists, I doubt if a practice so old and so general as this is asserted to be would be effectually broken up. I have endeavored, by the exercise of peculiar care in the appointment of this class of clerks, to stop the practice, and believe I have succeeded to some extent. The strict law now on the statute-book has proved practically inoperative, for the simple reason that it has been found impossible to procure the evidence of its violation. A strenuous effort in this direction was made a year or more ago, but as the testimony could come only from the importers or their brokers on the one side, or the entry-clerks on the other, and as neither can be compelled to testify, the attempt wholly failed. I do not believe that any new regulation not involving a change in the mode of doing business can be more successful.

Unless the merchants are willing to submit to the delays involved in the system I have suggested, I know no other remedy, unless importers will see to it, both for them-

selves and their agents, that the law is respected; that no gratuities are offered, and will report any attempt, direct or indirect, on the part of clerks to obtain them.

Until a change of system was introduced by me a year or two ago, the deputy collectors were in a position which brought them peculiarly within the scope of inquiry contained in your order, but I think that is no longer the case.

I have read the remarks of the surveyor as to the inspectors, (who are more immediately under his control,) and concur in what he says. I may, in addition, call your attention to the fact that when last year a prosecution was instituted against inspectors who were alleged to have received money for passing passengers' baggage, it failed because it was necessary to prove not only the receipt of the money, but that it was received as an inducement to an illegal act, and, consequently, that there were dutiable goods in the baggage. The latter fact it is impossible to prove unless the baggage is seized on the spot, which, with the present facilities for the examination of baggage, cannot ordinarily be done in those cases where the payment of money can be detected.

I am, very respectfully, your obedient servant,

C. A. ARTHUR, *Collector.*

Hon. JOHN JAY, *Chairman, &c.*

APPENDIX K.

From the Hon. A. B. Cornell, naval officer.

NAVAL OFFICE, NEW YORK, May 9, 1877.

SIR: In compliance with the request of your commission, that I would advise you what subdivisions of this office are most exposed to violations of law by the acceptance of gratuities or by complicity in frauds, and also that I would present my views as to the causes of and remedy for such irregularities, I would respectfully state that I consider the entry, liquidating, and warehouse clerks as the only ones particularly exposed to such improprieties; these are the only clerks whose action would affect the amount of duties to be collected. The causes of such liability I would ascribe to the temptations offered by those who, desiring to gain an advantage over their rivals who defraud the Government of its revenue, seek to control the action of the clerks by bribery under the polite name of gratuities. These clerks, whose administrative action may accelerate or retard business, or otherwise affect the interests of exporters, are but human; and whenever there is a coincidence of temptation, frailty, and opportunity, there can naturally be but one result. It is difficult to suggest an adequate remedy for these abuses, since they originate with those over whom there is no official control.

Section 5452 of the Revised Statutes furnishes a sufficient penalty for such misdemeanors, if they could be protected and the offenders promptly prosecuted.

As regards the clerks subject to such temptations, I can conceive of no protection other than a careful selection of persons to fill such exposed positions, and particular regard being paid to moral character; and, furthermore, such official discipline and supervision as would reduce to a minimum the opportunity for temptation, together with rigorous punishment in case of discovery of any impropriety.

I am, very respectfully,

A. B. CORNELL,
Naval Officer.

Hon. JOHN JAY, *Chairman, &c.*

APPENDIX L.

From the Hon. George H. Sharpe, Surveyor.

CUSTOM-HOUSE, NEW YORK,
Surveyor's Office, May 16, 1877.

SIR: In response to the order made by your commission on the 3d instant, asking what departments and subdivisions of the custom-house I regard as most exposed to a violation of law on the part of my subordinates, in the acceptance of gratuities, or in complicity under any form in attempted frauds on the revenue, I beg leave to state, generally, as follows:

I have no reason to believe that the clerks in the office of the surveyor have any opportunity to receive any gratuity, or are liable to become accessories in any fraud whatever. Their number is small, most of them are men of experience, and all are competent and faithful in the performance of their duties.

The inspectors, who are assigned to duty from the barge-office, are open to tempta-

tion. Such as examine baggage find that passengers returning from Europe are very willing to offer them sums of money in order that the examination of their baggage may be superficially done, and that they may be able to leave the docks at the earliest possible moment. I do not believe that considerable sums are offered by passengers to the inspectors, but that small presents frequently are; and it is very difficult to prove the fact, as neither the inspector who receives nor the passenger who offers is willing to make any statements regarding it. Whenever any such case has been brought to my attention, and I have been able to establish reasonable certainty in regard to it, the officer has been punished. I have testified on this subject before the commission. I believe that the evil can only be corrected thoroughly when the Government shall establish its own barge-office, where all passengers and baggage will be taken. A convenient location therefor has been secured, by purchase from the city of a portion of the Battery, and a substantial granite dock and slip have been completed. A moderate appropriation by Congress would suffice to erect a building containing all the conveniences required.

The inspectors who discharge steamships and large vessels with general cargo are brought in contact with some temptations, to which your commission has given considerable consideration, and on which I need not enlarge. The "house-money," familiarly so called, paid by steamship companies for work done by the inspectors after sunset and before sunrise, in order to facilitate the discharge of the vessels the next day, has long prevailed. Difficult to prove, and yet seeming to have been partially legalized by time and custom, we have found that the steamship companies do not object to paying it; and whenever steps had been taken which looked as though the practice would be abolished, the steamship companies have claimed that the practice could not be proved. The action of the Secretary, under your advice, in legalizing a moderate payment of this kind, and in making the same uniform, will relieve us from the embarrassment of this practice.

It is a legend in the Department that, after the expiration of the forty-eight hours which succeed the arrival of the steamship, inspectors sometimes are offered gratuities by merchants to still keep their goods on the dock, and not send them into a general-order store. I have had no proof on this matter, except the complaint of one merchant against one officer for seemingly making a demand for such gratuity, and on my recommendation the officer was dismissed.

The district officers who supervise the lading of foreign merchandise for export, and who also perform the duties of discharging-officers of sailing-vessels bringing cargo in bulk, are less subject to temptation than inspectors assigned to discharge steamships and examining passengers' baggage, and yet gratuities, and even bribes, may be offered to them as well as other officers, but I have no reason to know or believe that it has been done.

The inspectors employed in the debenture-room are required to supervise the transfer of foreign goods, which are not duty-paid, from one point to another, under different orders and entries, for transportation to other ports for payment of duty there, or for export to foreign countries for benefit of drawback or remission of duties. I do not see how any gratuity could be offered to them for the performance of a duty. With their connivance, very great frauds could be practiced upon the revenue, as the boxes, bales, or packages of merchandise could be changed in the transit which occurs while under their supervision. The officers in this department, comprising one-eighth of the whole number of inspectors, while not performing the most arduous duty of an inspector, are necessary for the protection of the revenue, and are competent to perform the duties required of them. Many of them are elderly men, with excellent reputations, and I have no reason to believe that any loss occurs to the revenue through any frauds in this department.

The inspectors for the admeasurement of vessels might possibly be offered bribes for a loose performance of their duty, but I do not believe any such contingency occurs. They are men of excellent character and attainments.

I consider the inspectors stationed at Castle Garden, who are few in number, to be almost entirely removed from temptation.

The night-watchmen are exposed to danger. With all the appliances at the command of those who endeavor to defraud the revenue, it is not strange that these men, stationed at exposed points, often in inclement weather, should sometimes be offered gratuities for simple inattention to duty, which would assist those practicing frauds upon the revenue.

As a general thing, the work is well done. I have an organized patrol of the best men in the night-service, which visit all the posts every night. The officers of the night-watch are most excellent men, and they take turns in visiting the different posts at unexpected times during the week. I have no reason to believe that any considerable loss occurs to the revenue through the complicity of a night-watchman, either in actual fraud or negligence. By constant discipline, the *morale* of the men is maintained, and I think, in the main, the interests of the Government are well protected.

The weighers and gaugers, and their assistants, are in the position to be exposed to

temptation, by the offer of gratuities and bribes for making false weights and false returns; but we have several checks upon them, and their character, as a class, is very good. My judgment is that no loss occurs to the revenue by any frauds in those departments, and that the work is well done.

In thus admitting, frankly, that nearly every subdivision of my office is more or less exposed to the temptation of receiving gratuities, or of actual complicity with fraud, I must add that I believe the department, with the exceptions which have been brought before the commission and thoroughly examined by them, to be singularly free from these vices. Constant vigilance and discipline are necessary, and are exercised; and I have reason to believe that the surveyor's department of the custom-house is in a high state of efficiency, and that this fact is thoroughly recognized by the mercantile, importing, steamship, and other interests with which the officers of the department are brought in contact.

I have herein incidentally suggested the causes of the defects in the working of the customs system, so far as relates to the several branches of the surveyor's department.

The remedies are to be found in the selection of faithful officers, and in their proper discipline; in the establishment of a barge-office, and perhaps in uniforming the officers.

More thorough remedies will be found in a simplification of the laws, which will lead to greater simplicity in their execution.

Very respectfully, your obedient servant,

GEORGE H. SHARPE, *Surveyor*.

Hon. JOHN JAY, *Chairman*.

APPENDIX M.

The following notes and statistical tables of the imports, exports, receipts from customs, and expenses of collection in Austria-Hungary, Italy, France, Germany, Great Britain, and the United States, were received from Mr. Collector Arthur, in answer to a request on the part of the commission, after the completion of the report. They are added as affording material for an interesting comparison between the customs of the United States and those of foreign states. The rate of duties and the number of articles subject to duty differ widely in the several countries; and as this fact may seem to render a comparison difficult, it may be convenient to quote a remark of the collector in his testimony upon the bearing of the rates of the tariff upon the expense of collection.

General Arthur said: "When duties are reduced, it is just the same labor involved in everything, from the beginning to the end, as there would be if the duties were higher.

"The only way to estimate the percentage of cost of collection is to do it on the total importations for the year, whether they be free or dutiable, because the free goods have to be entered any way," &c.

Comparing the percentage of the cost of collection on our total importations with those of other countries, it appears from Mr. Moore's letter to be more than three times as great as in France, more than four times as great as in Germany, and nearly five times as large as in Great Britain.

From the collector of the port.

CUSTOM-HOUSE, NEW YORK CITY,
Collector's Office, July 14, 1877.

SIR: In answer to your communications of the 4th and 5th instant, I have the honor to transmit * * * statements prepared by Statistician Moore (together with report) of imports, exports, &c., of the several countries mentioned by you. * * *

I am, very respectfully,

C. A. ARTHUR,
Collector.

Hon. JOHN JAY, *Chairman, &c.*

[Inclosures.]

CUSTOM-HOUSE, NEW YORK, *July 12, 1877.*

DEAR SIR: I have the honor to furnish, inclosed, some of the information required by the Hon. John Jay on the 5th instant, viz:

The imports, exports, receipts from customs, and cost of collection for the years 1874, 1875, and 1876, in Great Britain, France, Germany, Italy, and Austria.

The information required is very difficult to collate, and requires research into several different branches of the foreign revenues to be able to come to some proximate result. The most reliable in the statistics furnished are those of Great Britain and Germany.

The actual cost of collecting the customs in Great Britain is now given in figures, and I find that it does not differ much from the average cost I estimated in my former letter to you on the subject.

The cost of collecting customs revenue in Germany is the most reliable of all, as you will see that the Germans keep two accounts in collecting revenue, viz, *gross* and *net*; the difference, therefore, between the net receipts and gross receipts is the cost of collection, and there can be no doubt that the cost of collection in Germany is about 9½ per cent.

In Austria-Hungary and Italy the cost of collecting customs revenue is taken from the finance minister's estimates. They appear extravagantly high, and, although the figures are official, yet they are far from satisfactory.

As to the French cost of collection, it must be born in mind that *de facto* the customs receipts are only calculated at about \$50,000,000; but this is exclusive of tobacco and cigars, which is a government monopoly, and yields \$60,000,000 of revenue annually. It is not clear whether the cost of collecting the tobacco-revenue is included in the charge or not. I think it is not. It would, therefore, appear that the collection of customs in France, exclusive of tobacco, costs about 9 per cent.

It should, however, be borne in mind that the French custom-house employs infinitely more officials than both England and the United States. Their tariff being all specific, and, further, the government taking full charge of *all* imports, and rigidly examining the same by measuring, weighing, and calculating the duties, the cost of collection must necessarily be more than in Great Britain, where only five or six articles pay duty; or the United States, where only one package out of ten is fully examined. However, the cost of collecting the customs in the United States compares very favorably with that of England, which has but few articles to collect duties from.

I have the honor to remain, very respectfully,

J. S. MOORE.

Hon. C. A. ARTHUR, *Collector, &c.*

AUSTRIA-HUNGARY.

	1872.	1873.	1874.
Imports	\$306,850,000	\$291,550,000	\$284,350,000
Exports	194,000,000	211,800,000	224,650,000
Receipts from customs	No data.	No data.	13,410,000
Expenses of collection	No data.	No data.	2,910,000

Expense of collection for 1874 about 21½ per cent.

Ratio of expense of collection to total imports for 1874, about 1½ per cent.

ITALY.

	1872.	1873.	1874.
Imports	\$261,280,000	\$236,900,000	\$256,340,000
Exports	257,660,000	216,700,000	207,660,000
Receipts from customs	No data.	19,341,439	No data.
Expenses of collection	No data.	3,830,006	No data.

Expense of collection for 1873, about 19½ per cent.

Ratio of expense of collection to total imports for 1873, about 1½ per cent.

FRANCE.

	1872.	1873.	1874.
Commerce, générale :			
Imports	\$800,320,000	\$915,260,000	\$884,500,000
Exports	951,320,000	964,460,000	940,420,000
Commerce, spéciale, or commercial transit:			
Imports	714,060,000	710,960,000	701,540,000
Exports	752,320,000	757,460,000	740,220,000
Receipts from customs	68,225,400	Not given.....	49,907,800
Expenses of collection	6,049,696	Not given.....	6,049,696

Average expense of collection for two years, about 10 per cent.

Ratio of expense of collection to total imports for two years, about $\frac{1}{100}$ of 1 per cent.

GERMAN EMPIRE.

	1872.	1873.	1874.
Imports	\$832,440,000	\$1,021,776,000	\$881,544,000
Exports	599,184,000	597,312,000	583,672,000
Transit	262,872,000	295,920,000	Not given.
Receipts from customs, gross	29,351,760	32,244,720	27,660,480
Receipts from customs, net	26,561,760	29,433,120	24,901,680
Expenses of collection	2,790,000	2,811,600	2,758,800

Average expense of collection for three years, about $9\frac{1}{2}$ per cent.

Ratio of expense of collection to total imports for three years, about $\frac{1}{10}$ of 1 per cent.

GREAT BRITAIN AND IRELAND.

	Fiscal year ended March 31, 1874—yrs. 1873-'74.	1874-'75.	1875-'76.
Imports	\$1,856,435,000	\$1,850,415,000	\$1,869,700,000
Exports	1,275,820,000	1,197,790,000	1,117,330,000
Receipts from customs	101,616,625	102,200,000	101,707,515
Expenses of collection	5,038,260	5,091,500	4,972,520

Average cost of collection for three years, about $4\frac{3}{4}$ per cent.

Ratio of expenses of collection to total imports for three years, about $\frac{1}{20}$ of 1 per cent.

UNITED STATES.

	1874.	1875.	1876.
Imports	\$585,465,754	\$553,906,153	\$480,293,273
Exports	704,463,120	605,574,853	655,463,960
Receipts from customs	163,103,833	157,107,722	148,071,984
Expenses of collection	7,319,918	7,022,521	6,704,858

Average cost of collection for three years, about $4\frac{1}{2}$ per cent.

Ratio of cost of collection to imports for three years, about $1\frac{1}{2}$ per cent.

RECAPITULATION.

Countries.	Expense of collection.	Ratio of collection to imports.
Austria-Hungary	$21\frac{7}{10}$ per cent.	$1\frac{1}{100}$ per cent.
Italy	$19\frac{1}{10}$ per cent.	$1\frac{1}{10}$ per cent.
France	10 per cent.	$\frac{1}{100}$ of 1 per cent.
German Empire	$9\frac{1}{2}$ per cent.	$\frac{1}{10}$ of 1 per cent.
Great Britain and Ireland	$4\frac{3}{4}$ per cent.	$\frac{1}{20}$ of 1 per cent.
United States	$4\frac{1}{2}$ per cent.	$1\frac{1}{2}$ per cent.

THIRD REPORT OF THE COMMISSION ON THE NEW YORK CUSTOM-HOUSE.—DEPARTMENT OF WEIGHERS AND GAUGERS.

NEW YORK, July 21, 1877.

SIR: We remarked in our first report that we reserved our suggestions for the correction of certain grave irregularities which seemed to exist in the department of weighers and gaugers.

After reviewing the testimony and attentively considering the advice of experts, we have agreed that the safety of the revenue, the interests of commerce, and, we may add, the good name of the Government, demand the re-organization of this branch of the service.

The fit performance of the work calls for intelligence, fairness, experience, exactitude, and promptness, and while a lack of these qualities is detrimental to the interests of the Government, it bears heavily upon honorable importers.

These gentlemen claim the right to enjoy all facilities that are not legally abridged for the safety of the customs. They regard as a wrong all maladministration in the service which tends to impede their business; and they complain that inaccuracies, exactions, and delays in the weighers' department subject them to loss, especially in affairs conducted by steam and telegraph, or where the goods are sold, deliverable on their arrival.

These complaints were thus alluded to by the surveyor: "I think," said that officer, who stated that some two years since he had obtained a reduction of the weighers from nineteen to thirteen, "that we have too many weighers at present; and the reason why there are complaints is, that there is not sufficient work to keep them employed."

Under the present system, before the recent reduction, ordered by your letter of the 28th of May, of six weighers, six weighers' clerks, and six weighers' foremen, the force, apart from the assistant weighers and laborers, who are paid by the hour, consisted of—

13 weighers, distributed in 13 districts, at \$2,500.....	\$32,500
13 weighers' clerks, at \$1,200.....	15,600
13 weighers' foremen, at \$1,200.....	15,600

63,700

At present each weigher is allowed to employ as many laborers in a gang and as many gangs as he deems necessary, and he reports to the surveyor. A check on any abuse of this permission rests with the surveyor, but it would seem to be seldom exercised. While employed, the laborers are paid 40 cents per hour. A person who receives the same wages as a laborer is selected and sworn as an assistant weigher. This assistant attends the scale and makes the weight; and from the memoranda returned by him the clerk makes up the book; so that, with a force of thirty-nine officers appointed by the collector and paid by the year, the responsible work of determining the weight of dutiable goods, upon which weight duty is to be assessed, has been devolved upon an assistant official of the lowest grade, selected by the weigher or his foreman, and paid, like the laborers, by the hour.

Touching the practical results of this system, the evidence submitted, in our judgment, shows:

That, under the present system, the larger number of United States weighers, who receive salaries of \$2,500 per annum, and who are assigned respectively to weighing-districts, render but little, if any, personal service to the Government.

That the weighers' foremen, who receive \$1,200 per annum, perform but little service; that the most important part of the duties which they do perform is the assignment of laborers to assist the assistant-weighers; that in some of the districts the foreman designates, from the laborers who are hired, "assistant foremen," or "dock-foremen," as they are sometimes called, who perform such duty as is supposed to pertain to the office of foreman.

That the weighers' clerks, salaried officers receiving \$1,200 per year, in some instances perform no duty, and that in most, if not all, of the weighers' offices, men who are hired as laborers are assigned to do the clerical work, which was intended to be done by the regular clerk of the weigher; that the number of laborers assigned to the weighers' offices for clerical duty varies, in the several districts, from four to eight persons—in some offices four, in others six, and still, in others, eight; that these men, so assigned, have but little duty to perform.

That, in the offices of weighers, persons whose names are borne on the labor pay-rolls are assigned to duty as janitors—useless persons, who really perform little or no service, but who receive pay as though they were employed ten hours per day, six days in the week, at forty cents per hour.

That names of persons are borne on the labor pay-rolls who perform no service except that of signing their names to the pay-rolls and receiving their pay.

That an excessive number of persons, as laborers, are assigned to duty at the scales, often as many as ten persons, when only four, as a rule, can be advantageously employed, and that these persons are employed as laborers by weighers and weighers' foremen as a reward for political services; that the assistant weigher, who performs the work of weighing, handling the beam, has no voice in the selection of the men whom he is to use as laborers in performing his duty, but is obliged to use such men, and such a number, as the weigher or his foreman may designate; that a part of the weighable merchandise imported at this port is not weighed by the United States weighers, or any of their assistants, but is weighed by the city weighers, who give memoranda of what purport to be the weights, to the assistant weigher, from which the assistant weigher makes up his dock-book, which forms the basis of the return of weight made to the custom-house. In such cases as this, the United States laborers are used, by the city weighers in weighing the merchandise, and the United States weigher, or his foreman, collects from the city weigher one-half of what the expense amounts to, at the rate of 40 cents per hour for each laborer engaged on the work, and appropriates it to his own use.

That a part of the weighable merchandise imported at this port, and which ought to be weighed, is not weighed at all, but the foreign marks of weight on the packages are copied off, and these memoranda of supposed weights are then put into the dock-book.

That one of the weighers testified that a schedule (Appendix M) of irregular fees had been adopted by the "board of weighers," to make those charges uniform, which they illegally collect from merchants, ship-owners, or agents, and city weighers, for special returns, certified copies of returns, and other certificates; that the weighers frequently delay to make returns of weight to the custom-house until the importer pays him these irregular charges for a copy of his return of weight.

It is proper to add, in regard to this allegation, that certain weighers addressed a note to the commission, denying that the list in question

had been adopted by the weighers; but fees mentioned in it were shown to accord with those that were proven to have been paid.

That in some districts from sixty to eighty men are employed as laborers, when thirty-five would be a sufficient number; and that the weighers, in point of fact, in many instances, perform their work inaccurately, and in a manner detrimental to the interests of the Government, by making short weights.

That favoritism is shown under the present system, of paying forty cents an hour to the assistant weighers; that those who are personal friends of, or are personally useful to, the weighers, are given constant employment, while equally good, and even more reliable and better men, get work but part of the time, and do not earn sufficient for a respectable support.

That, substantially, the same evils exist in the force of gaugers.

To place the weighing department on a business footing, the first and chief step would be to raise the standard of character and fitness among its officers, and, in accordance with the order of the Department, to permit nothing but merit to influence the appointments.

The commission are agreed in thinking it important that the departments of weighers and gaugers shall each have a practical expert at the head, upon whom should rest the responsibility; and that each assistant, who, like the chief, should be an expert, and a man of character, should be, in his turn, responsible for the laborers, to be selected by himself.

In addition to the maladministration which we have specified, the present district system, with thirteen districts—four on the Hudson River, four on the East River, and five in Brooklyn—has so many disadvantages that it is impossible to render it an economical one to the Government. The present allotment of districts is shown in Appendix O, the work of each district for the year 1876 in Appendix P, and the aggregate of the years 1870 to 1876, inclusive, in Appendix Q. Instead of it, the commission think that it is absolutely essential, if our plan is adopted, for the weigher and gauger to assign their assistants, month by month or week by week, where their services may be required; and it is suggested that there may be advantage in frequent changes of position, so that the same assistant shall not always be found at the same place.

The commission are clear, if the smallest part of the evidence before them is true, that no partnership, nor connection of any kind, in the work of weighing dutiable goods, should be sanctioned or tolerated between the United States weighers and those of the city.

With these views, the commission respectfully recommend the re-organization of this department in the following manner:

They propose—

1st. To vacate the offices of weighers, weighers' foremen, and weighers' clerks, and abolish the existing weighing-districts.

2d. To appoint one weigher at a salary of \$2,500 per year, with an office at the custom-house, with six clerks at salaries of \$1,200 per year, and one special assistant weigher at a salary of \$1,600 per year.

3d. To appoint thirty-five assistant weighers at salaries of \$1,400 per year each.

4th. To direct that the assistant weighers shall employ the laborers they require in weighing, not to exceed ordinarily four men, at a rate not exceeding 40 cents per hour while actually employed.

5th. That ten laborers shall be permanently employed, at a rate not

exceeding 40 cents per hour, who shall have charge of weighers' and gaugers' tools, and keep them in good order at places to be designated.

6th. To appoint one ganger at a salary of \$2,000 per year, with an office at the custom-house, and appoint one gaugers' clerk at a salary of \$1,200 per year.

7th. To appoint six assistant gaugers at a salary of \$1,400 per year.

8th. To direct that each assistant gauger employ his own laborers, not exceeding two in number, at a rate not exceeding 40 cents per hour.

9th. That the assistant weighers and assistant gaugers shall do the work of weighing and gauging, respectively, taking the weight and gauge themselves, and that no laborer shall be designated assistant weighers or assistant gaugers to perform the duties of those officers. The assistant weighers and assistant gaugers to be assigned to duty as the necessities of the service may require, at such locations and for such time as the weigher and gauger may determine, with the approval of the surveyor.

10. That all records be kept in their offices at the custom-house, and that the clerical work be done by the clerks in those offices, and returns signed there by the weigher or gauger, respectively, as the case may be, within forty-eight hours after the merchandise has been weighed or gauged; all special returns of weight or certificates of weights or gauges to be furnished to the importers, ship-masters, or owners, or any one representing them, free from any charges whatsoever.

11. That a simple and inexpensive uniform be adopted to be worn by such of the customs officers as may be required to wear it, the cap having initial letters indicating the branch of the service to which the wearer belongs; that at least the inspectors, the weigher, and gauger, and their assistants, be required at once to wear such uniform during their hours of duty.

While the foregoing plan will, it is believed, materially reduce the expenses of the existing system, which are shown in Appendix R, the commission think that, with the improvement in the character and efficiency of the force under the skillful management of experienced chiefs, a further reduction may perhaps soon be feasible.

But, in view of the evils of the present system, the commission have regarded the question of expense as one of inferior importance to that of the immediate re-organization of the department. The plan which they have now the honor to recommend, should its general features meet your approval, they believe may be put in operation at an early day, with such careful preliminary arrangements for its smooth working that the change need cause no interruption to the business of the custom-house or to that of the importers.

All which is respectfully submitted.

JOHN JAY.
LAW. TURNURE.
J. H. ROBINSON.

Hon JOHN SHERMAN,
Secretary of the Treasury, Washington.

APPENDIX M.

List of irregular fees to be charged for copies of returns of weight, said by a weigher to have been adopted by the board of weighers.

Scrap-iron, 25 cents per ton.
 Pig-iron, 15 cents per ton.
 Pig-iron, in lots, 20 cents per ton.
 Old rails, 15 cents per ton.
 Bar-iron, 10 cents per ton.
 Rod-iron, 10 cents per ton.
 Angle-iron, 10 cents per ton.
 Sheet-iron, 10 cents per ton.
 Bundle-iron, 10 cents per ton.
 Iron wire, 2 cents per ton.
 Pig-lead, 20 cents per ton.
 Lead, in casks, 20 cents per ton.
 Spelter, 15 cents per ton.
 Spelter, in lots, 20 cents per ton.
 Ingot-tin, 15 cents per ton.
 Ingot-tin, in lots, 20 cents per ton.
 Ingot-copper, 25 cents per ton.
 Ingot-copper, in lots, 30 cents per ton.
 Prunes and fruits, in casks, barrels, or cases, 2 cents per cwt.
 Cheese, 2 cents per cwt.
 Cream tartar, 2 cents per cwt.
 Ocher, 2 cents per cwt.
 Ocher, in lots, 3 cents per cwt.
 Currants, 2 cents per cwt.
 Currants, in lots, 3 cents per cwt.
 Nuts, in bags, 6 cents; in bales, 10 cents.
 Raisins, 1 cent per box.
 Citron, 2 cents per cwt.
 Figs, 2 cents per cwt.
 Malt, in bags, 2½ cents each.
 Hops, in bales, 20 cents each.
 Wool and flax, 12½ cents per bale.
 Bristles, in barrels or cases, 12½ cents each.
 Rice, (with city weighers,) 1½ cents.
 Rice, (for importer,) 2½ cents.
 Sugar casks, bags, or mats—with city weigher, half labor, 1 cent per package.
 Chicory, in casks, 2 cents per cwt.
 Glycerine, in barrels, 20 cents each, half labor.

APPENDIX N.

Samples of letters addressed by a gauger to a wholesale liquor-house in New York.

NEW YORK, December 30, 1873.

GENTLEMEN: Please give bearer one gallon of brandy and one gallon of gin for me. I am sorry to trouble you, but this is New Year, and I hope you will honor my order. I will reciprocate on some other occasion.

Respectfully,

_____, Gauger.

NEW YORK, February 6, 1874.

Please give bearer one-half gallon sherry for me, and I will return at the earliest possible moment.

Yours, &c.

_____, Gauger.

APPENDIX C.
United States weighers' districts, April, 1877.

No.	Weighers.	Piers.	Warehouses.			Office.
		NORTH RIVER.				
1	M. W. Burns	Nos. 1 to 23, inclusive, and Jersey City	West street. 1 to 140, inclusive. 141 to 331 332, and all above.	Washington street 1 to 205, inclusive. 206 to 533 534, and all above.	Greenwich street. 1 to 213, inclusive. 214 to 549 550, and all above.	113 West street, room 10. 303 West street. 184 Christopher street.
2	S. G. Aclon	Nos. 24 to 46, inclusive				
3	Charles Blackie	No. 47, and all above				
4	E. Jardine	Hoboken	All north of Pavonia Ferry			98 West street
		EAST RIVER.				
5	J. Owens	Nos. 1 to 92, inclusive	South street. 1 to 83, inclusive	Front street. 1 to 900, inclusive	Water street. 1 to 219, inclusive.	78 Old Slip. 175 South street. 980 South street. 612 Grand street.
6	L. Lombardy	Nos. 93 to 24, inclusive	94 to 253	201 to 290	930 to 514	
7	J. Murphy	Nos. 46 to 52, inclusive	280 to 362		515 to 595	
8	T. R. Thorpe	No. 53, and all above, and Williamsburgh	363, and all above		596, and all above	
		BROOKLYN.				
9	Robert Edwards	South of Hamilton Avenue Ferry	Commercial Wharf and Red Hook			16 Hamilton avenue. Corner Hamilton avenue and North Pier.
10	H. H. Smith	do	Atlantic Docks, Ward's, Pinto's, and Tobin's Stores			Baldie Stores.
11	J. Drew	North of Hamilton Avenue Ferry and Degraw street	Union, Baldie, Robinson's, Parker's, Columbia, and Pacific Stores.			
12	J. J. O'Brien	On each side of Wall Street Ferry	Woodruff's, Schenck's, Prentice's, and Pierrepont's Stores			
		Midway between Wall Street and Fulton Ferries	Durkee's, Harbeck's, and Watson's Stores			
13	George H. Shirley	Next below Fulton Ferry and Fulton Ferry east to navy-yard	Martin's, Fulton, and Empire Stores			Robert's Stores. 19 Main street.

United States gaugers' districts, April, 1877.

No.	Gaugers.	Piers.	Warehouses.			Office.
			West street.	Washington street.	Greenwich street.	
1	C. H. Knight	NORTH RIVER. Nos. 1 to 43, and Jersey City No. 44, and all above, and Hoboken	1 to 122 123, and upwards	1 to 180 181, and upwards	1 to 185 186, and upwards	73½ West street. 344 West street.
2	John Labor					
3	W. Bullard	EAST RIVER. Nos. 1 to 22, inclusive No. 24, and upwards, and Williamsburg	South street. 1 to 118 119, and upwards	Front street. 1 to 238 237, and upwards	Water street. 1 to 258 259, and upwards	175 South street. 176 South street.
4	John Birdall					
5	F. De Wigne	BROOKLYN. All south of Joralemon street All north of Joralemon street	Atlantic Dock, Commercial Wharf, Red Hook, Ward's, Union, Phenix, Baldie, Robinson's, Johnson's, Columbia, and Schenck's Stores, Prentice's, Pierrepont's, Roberts's, Harbeck's, Martin's, Fulton, Whit- tock's, and Empire Stores, and above.			Baltic Stores. 370 Furman street.
6	T. S. Northrup					

APPENDIX P.

Wheigher's record, 1876.

	Imports.	Exports.	Coal and salt.	Fees.	Expenses.
Acton	\$155,372 221	\$2,065,868	\$772,840	\$33,220 60	\$20,245 32
Barns	162,585,044	12,277,951	443,493	35,821 97	96,351 70
Blake	141,063,671	6,726,357	1,089,135	34,341 23	25,355 80
Brew	213,120,903	987,342	278,910	43,147 84	23,980 60
Edwards	34,762,638	3,012,698	583,056	11,459 28	6,407 74
Jardine	45,770,227	80,417	37,645	8,067 40	9,730 58
Lewenberg	394,846,933	4,271,464	248,077	69,357 80	26,504 05
M. Harg	57,692,552	7,670,488	14,590	12,291 94	11,366 14
Orren	296,998,980	5,735,849	200,934	53,955 19	27,042 12
Orren	186,928,296	6,733,251	452,579	36,759 23	24,484 86
Smith	82,820,066	16,128	101,206	14,161 85	8,072 74
Sturley	70,167,591	.....	40,555	12,104 76	6,881 43
Thorpe	241,262,164	27,040,119	795,896	55,122 07	24,911 51
	\$2,119,397,446	76,687,954	5,177,846	419,843 86	240,663 91

APPENDIX Q.

Aggregates of 1870, 1871, 1872, 1873, 1874, 1875, and 1876.

	Imports.	Exports.	Coal and salt.	Fees.	Expenses.
1870	\$2,583,468,309	\$145,343,292	\$5,804,371	\$524,762 31	\$286,255 48
1871	3,049,314,731	202,007,803	8,131,698	637,507 34	362,429 66
1872	3,118,010,923	138,744,406	6,744,245	696,064 64	404,953 14
1873	2,368,773,033	87,173,933	9,654,136	503,813 29	320,814 18
1874	2,997,922,686	76,398,055	5,484,954	454,690 05	251,126 02
1875	2,116,333,412	86,047,987	6,574,964	432,435 33	232,620 16
1876	2,119,397,446	76,687,954	5,177,846	419,843 86	240,663 91
	17,653,220,440	812,403,430	47,372,212	3,599,716 82	2,098,862 55

APPENDIX R.

Expenses of weighers and gaugers for twelve months ending June 1, 1877, district of New York.

Months.	Weighers' salaries.	Weighers' clerks' salaries.	Weighers' foremen's salaries.	Weighers' laborers' pay-rolls.	Gaugers' salaries.	Gaugers' laborers' pay-rolls.	Total.
1876.							
June	\$2,678 00	\$1,157 13	\$1,124 49	\$21,952 23	\$988 80	\$1,864 45	\$29,765 10
July	2,737 80	1,182 87	1,271 88	19,262 17	1,011 00	1,861 24	27,326 96
August	2,737 80	1,182 87	1,182 87	17,689 06	1,011 00	1,834 05	25,630 85
September	2,649 40	1,144 26	1,144 26	19,201 12	978 00	1,887 36	27,004 40
October	2,737 80	1,314 30	1,314 30	25,718 28	1,011 00	1,871 15	33,966 83
November	2,649 40	1,271 40	1,271 40	19,404 57	978 00	1,826 72	27,401 49
December	2,737 80	1,314 30	1,314 30	16,799 79	1,011 00	1,877 58	25,054 77
1877.							
January	2,798 90	1,309 60	1,309 60	22,297 31	1,033 20	1,937 35	30,719 26
February	2,527 20	1,214 20	1,214 20	16,126 05	933 60	1,896 14	23,971 39
March	2,790 90	1,342 94	1,342 59	21,541 95	1,033 20	1,950 45	30,010 34
April	2,678 00	1,285 70	1,285 70	22,714 06	948 80	1,913 64	30,865 90
May	2,769 00	1,328 60	1,328 60	26,417 16	1,022 40	1,941 95	34,807 71
	32,500 00	15,048 17	15,137 80	249,176 75	12,000 00	22,662 08	346,524 00
Total weighers, &c							\$311,862 72
Total gaugers, &c							34,662 08
Total							346,524 80

NOTE.—Under the proposed organization the salaries would be as follows. The suggestion of the laborers required is simply an estimate:

1 weigher, at \$2,500	\$2,500
1 deputy, at \$1,600	1,600
6 clerks, at \$1,200	7,200
35 assistant weighers, at \$1,400	49,000
1 gauger, at \$2,000	2,000
4 assistant gaugers, at \$1,400	11,200
1 clerk, at \$1,200	1,200
100 laborers, average estimated number required for the year, at 40 cents an hour	140,000
Total	211,900

FOURTH REPORT OF THE COMMISSION ON THE NEW YORK
CUSTOM-HOUSE.—THE APPRAISER'S OFFICE.NEW YORK, *August 31, 1877.*

SIR: In pursuance of your instructions, we have carefully inquired into the method of doing business in the appraiser's department, making a personal examination of different employés, and frequently consulting the appraiser and deputy appraiser.

The proper examination and appraisement of the dutiable goods arriving at the port of New York is a work of such magnitude, that, even in seasons like the present, when the importation has appreciably lessened, there are received here for examination over ten thousand invoices a month, embracing goods of every description.

The present method of appraisement is the result of a long-established and elaborate system.

By statute, at least one in every ten packages of an invoice must be sent to the public store for examination, and the collector and the naval officer or appraiser also, through the collector, can order others if the interests of the Government require it.

It was under the practice authorized by this statute of sending for examination one case out of ten, that what are known as the "Lawrence" silk frauds was organized, a few years ago, on what the collector characterized as "a colossal scale." Some nine-tenths of the consignments, in that case, were of goods subject to heavy duties, like silks and laces. One or two cases out of ten contained cotton goods subject to lower duty. The entire consignment was invoiced as cheap goods, like those in the "dummy" cases; and when application was made for the entry of the goods on the invoice, a deputy collector, in collusion with the defrauding agent, designated on the invoice the "dummy" cases with the cheap goods for examination. A further collusion with the appraising officer secured the conspirators from the danger of a greater number of cases being sent for, and, on the appraiser's return, the entire invoice was appraised at the value of the cheap goods.

After the "Lawrence" frauds had been discovered and investigated an order was made amendatory of the former practice, which provided that a particular deputy should be selected to make the designation of packages, the selection of the deputy collector for this purpose not to be made until after the entry of the steamer at the custom-house.

The collector stated that direction was given to the deputy collectors, in cases where the importer was not well known as a man of character and standing in New York, to send all the packages into the public store for examination. The principle of that order the commission approves as one essential to the safety of the service, and one which should be constantly and strictly observed, even though additional force or accommodation should be required for its execution.

The collector, with reason, presumed "that in sending only one case it was done in some sort of faith in the character and standing of the importer, and where there was no information on the subject there should be sent in more cases."

The reasons for caution that are found in the case of unknown importers seem to be still stronger in the case of importers who have given cause for distrusting their fairness; and whenever confidence in the good faith of individual importers has been thus impaired, it seems clear that the safety of the Government demands thereafter a more com-

plete examination of the packages imported by such parties; and it seems advisable that the general practice of sending one package in ten should be frequently varied by sending one in a smaller number, and of occasionally examining every one.

In the Lawrence frauds, fictitious names of importers were used and worthless bonds taken, but the collector expresses the opinion that since the adoption of the order referred to, there is no longer any such system of smuggling through the custom-house. The same confidence, however, is not expressed by all who have examined the subject.

It is suggested that collusion is still easy between custom-house brokers, representing the owners and acting and swearing on their behalf, and officers of the customs service; that a sign or mark invisible to others may silently instruct the officer who is to designate the package for examination; and that where the rest of the invoice is immediately delivered to the importer, frauds may still be accomplished with small probability of detection.

A statistician of the custom-house estimates that of silk alone, imported into this country, "there was, either by direct smuggling or by undervaluation, at least five or six million dollars a year, perhaps seven millions, (out of thirty-five millions,) which paid no duty." One of the examiners estimated the loss to the Government by undervaluations at from three to five millions a year. Another witness spoke of the silk smuggling during late years as "prodigious," and the United States Civil Service Commission, in their report of 1871, looking at the general loss of revenue, remarked: "It is calculated, by those who have made a careful study of all the facts, that one-fourth of the revenues of the United States is annually lost on the collection." (42d Congress, 2d session, Ex. Doc. No. 10.)

It may be remarked here, in reference to the silk business, that an importance beyond the loss of revenue to the Government was shown to belong to this subject by a memorial of the Silk Association.

Delegates from that body appeared before us to complain of abuses chiefly in the appraiser's department.

They said that merchants had been driven out of the importing business, because they could buy silks cheaper in this market than they could be imported, and that not 10 per cent. of the staple goods sent to this market come by direct purchase.

They complained of the loose issue of consular certificates on the starting of the goods in Europe, of a want of efficiency in the appraiser's department, and of the reluctance to enforce the legal penalty for attempts to evade the duty. A similar interruption to their business was complained of by the National Potters' Association, who declare that an insufficient number of packages are examined; that goods are undervalued, as they believe, by collusion between the importer and the examiners; that the dealers have all been compelled to stop importing by the cheaper prices that obtain here; and that the goods are now imported almost solely by the consignees of the manufacturers in Europe.

Among the complaints was one by leading importers of drugs, of the incompetency of the examiners in that branch of this department, and an express company submitted some suggestions, which will be found in Appendix R.

When the packages to be examined are indicated, the invoice is sent with them to the public store. This store is situated at the foot of Light street, some two miles distant from the custom-house. A letter from Mr. Royal Phelps (Appendix S) embodies some of the objections which have been made to the site. Mr. Phelps suggests that merchants

are put to great inconvenience and expense by having the appraiser's office so far away from the custom house, to say nothing of the greater facilities the appraisers have for committing fraud if they should be so inclined, by being, so to say, isolated from easy contact with the collector and deputy collector of the custom-house.

The collector, on the other hand, as appears by a note from that officer giving the terms of the lease of the premises, (Appendix T,) while remarking that the accommodations are amply sufficient for the present, adds that the location is considered a good one, the remoteness from the custom-house being more than counterbalanced by the proximity to the shipping, and consequent saving in the expenses of cartage.

The commission are unprepared to pronounce the objection to the site of the public store well founded.

The invoice, when received at the public store, is entered, recorded, and sent by the chief clerk of the appraiser to the proper examiner.

When the packages examined are found to contain merchandise which is subject to ad valorem or to specific duty, dependent on value, the law makes it the duty of the appraiser to appraise, estimate, and ascertain the wholesale price or actual market value thereof at the period of exportation in the principal markets of those countries from which the same is imported into the United States.

In addition to the regular duty of appraisement, different questions regarding classification; difference in respect to damage-allowance, and the percentage of damages, if any, to be allowed; appeals sent from the Department for report; and questions raised directly by the importers, must be decided.

Besides this, there has sprung up a practice of doubtful legality, but which has grown to great dimensions, viz, a practice of sending back to the appraiser invoices that have been examined for re-examination, on the ground, as claimed by the importers, of wrong or mistake in classification.

The number of invoices so returned is seen by report of the appraiser, marked "U."

THE PRESENT FORCE AND DIVISIONS OF THE DEPARTMENT.

The appraiser's department is at present divided into ten divisions, and there are employed in it one appraiser, ten assistant appraisers, fifteen clerks, forty-seven examiners, twenty-four clerks and verifiers, eighty-three openers and packers, twenty-nine samplers, and fifteen messengers.

The present divisions, as given by the appraiser, are as follows:

APPRAISER'S OFFICE, PORT OF NEW YORK.

Assignment of goods and merchandise for examination and appraisal.

First division.—Informal appraisements: Packed packages; personal and household effects; Castle Garden, (emigrant baggage;) steamers, (passengers' baggage;) sample-office packages. Seizures. All goods on which allowance is claimed for damage on the voyage of importation.

Second division.—Sealing-wax; books; paintings; artist's materials; paper; antiquities; bronzes; clocks; printed matter; stationery; works of art; types; engravings; wafers; fancy goods of every description; small and fancy manufactures of alabaster, glass, marble, porcelain, and spar; fancy boxes; gold-beaters' skin; gold and silver; galloon; gold and silver ware; jewelry of all kinds; lithographic stones; mosaics; musical instruments; opticals; optical, philosophical, and photographic apparatus; precious stones; regalias; toys; watches; watch materials; watch-makers' tools; photographs; ink.

Third division.—Buttons of silk and worsted; embroideries; trimmings, *except of gold and silver*; ribbons, silk; hatters' plush; laces and lace goods of every description; ladies' wearing apparel *made to order*; silk, raw, tram; and organzine, and all manufactures of silk; trimmings.

Fourth division.—Bags; bagging; raw cotton; manufactures of India rubber and other materials, and gutta-percha; manufactures of cotton, flax, grass, hemp, jute, or of which either of these articles shall be a component of chief value, *except carpets, carpeting, mats, matting, and oil-cloth*; rope and cordage; thread of linen or cotton; twine.

Fifth division.—Bunting; busks; corsets; feathers, crude and ornamental; flowers, artificial or natural, dyed and dried; gloves; hair braids; hats; hosiery; knit goods; millinery goods; parasols; straw braids; umbrellas; worsted goods of every description, *except shawls*; worsted and woolen yarns.

Sixth division.—Blankets; willow-ware; wool or worsted; upholstery goods; horn strips; worsted shawls; wool felting; hair seating; crinoline; baskets; coir; esparte and sisal grass; fiber; flax; flocks; hair of all kinds; hemp; istle; jute; shoddy; wool, and all materials which enter into, or form a component part of, textile fabrics, *except cotton and silk*; bristles; canes, unmanufactured; carpets; carpeting; furs, and all manufactures of fur; mats; matting; oil-cloth; palm leaf; ratan; whalebone; whalebone for stretchers; woollen cloth; and all manufactures of wool; wool clothing; camel's-hair shawls.

Seventh division.—Mineral waters; chloride lime; sal ammoniac; carb. ammonia; vanilla beans; vinegar; licorice, roll and paste; sal-soda; soda-ash; indigo; anatomical preparations; apothecaries' glassware; asbestos; asphaltum; bituminous substances; brimstone; cardamon seeds; chalk; chemicals; clay; corks; cork-tree bark; dextrine; drugs; dye-stuffs; earths; extracts; gelatine; gums; gypsum; isinglass; leeches; lemon peel; lime; medicines; mustard seed; paints; perfumery; plaster of paris; printing ink; pumice-stone; quicksilver; resinous substances; salt-peter; soap for toilet; specimens of botany and natural history; sponge; spunk; squills; surgical instruments; varnishes; wax, bee's and vegetable; water colors, moist; bicarbonate soda.

Eighth division.—Sugar; animals, living; boots and shoes of leather; brick; building material; buhr-stones; carriages; casks; coal; crockery; drain-pipe; earthenware; felt for roofing and sheathing; glass; glassware; grindstones; guano; gutta-percha; unmanufactured; hides; hide cuttings; hoofs; horns; ice; India rubber, unmanufactured; ivory; ivory nuts; junk; laths; leather; lumber; mother of pearl; oakum; paper stock; Parisian and porcelain ware; polishing stones; rags; shells; skins, *not furs*; slate; spars; spiling; stone for building; stone monuments; tiles; veneering; wood, cabinet and dye; glucose; honey; melado; molasses; furniture; confectionery; grape sugar; chinaware.

Ninth division.—Buttons, *except silk and worsted*; gold and silver galloon; epanettes; jews'-harps; surgical instruments of steel; bronze powders; coach hardware; cutlery; Dutch-meral; emery; gold and silver leaf; hardware; harness; iron and manufactures of iron; machinery; metals; mica; minerals; needles; ores; pen tips and holders; pins; saddlery; steel and manufactures of steel; steel pens.

Tenth division.—Cigarettes; snuff; leaf-tobacco; arrowroot; vegetables; rennets; fish; newspapers; periodicals examined at steamers; lemon juice; cigars; ale; beverages; blacking; cocoa; coffee; cordials; fire-works; food; fruits; grain; grease; groceries, *except molasses and sugar*; gunpowder; hops; malt; nuts, *not drugs*; oils, *except essential and medicinal*; plants; porter; seeds; sealing wax; soap, *not toilet*; soap stock; soapaline; spirituous liquors; statuary; tea; wines.

The testimony shows that one of the most difficult parts of the task imposed on the examiners and appraisers consists in the correct classification of the goods submitted to them under the existing tariff, which an expert described as the most complicated tariff ever passed by Congress. Another difficult task, requiring a large experience and correct judgment, is that of ascertaining with exactness the market value of the goods in question at the time and place of exportation.

To the qualities demanded for these duties should be added a quickness in discovering the ingenious devices and subtle frauds by which parties in a foreign land, aided by their allies in our own, are constantly endeavoring to conceal values and to defraud the revenue.

The testimony shows that the allowances for damage are greater than they should be. "I have examined," said one of the most experienced officers, "some articles of merchandise where an allowance of forty per

cent. had been made, and I would not give but five." In another case of damage where, on eighty-four bales of wool, there had been allowed from five to forty per cent., it was found on re-examination that but twelve bales had been slightly damaged by salt water.

The following conversation occurs in the testimony :

Q. Do you think that a good many applications are fraudulent ?

A. I know that a great many make application without having seen the goods.

Q. Notwithstanding their affidavit that they have seen them ?

A. Notwithstanding their affidavit.

Of the errors occurring in the valuation of goods it was said "there are a great many, and I should say the proportion was large."

It does not appear, in regard to the appraisers who are to determine the dutiable value of imported goods, that systematic arrangements have been made for supplying them with reliable and exact information as to the market values at the time and place of exportation. It would rather seem that they have been compelled to rely generally upon their own experience and upon the assumed corrections of the values declared in similar invoices of other parties. It has been intimated that the importers might furnish, if they thought fit, to the appraiser, weekly or semi-weekly, authoritative prices-current. But a more practical suggestion, perhaps, is offered by the letter of Mr. J. A. Bausch, deputy appraiser. (Appendix V.) He says that the present consular instructions, if properly carried out, embrace all that is required, excepting that it would be a convenience if the consuls were permitted to correspond on this subject directly with the custom house, and furnish facts as to cost, with samples of the leading fabrics.

Whilst the investigation has developed, on the part of certain employés, as respectable a degree of ability and experience as could be reasonably expected from the system of appointment now in vogue, with no provision for examination, probation, or permanence during good behavior, the appraiser's department shows, more distinctly, perhaps, than any other, that the general results of such a system endanger alike the national revenue and the interests of commerce. No safety can be secured by multiplying checks and guards on importations, now so abundant, from the exporter's oath and the consul's certificate, to the final liquidation of the vessel, if the determination of the question and amount of duties is to be given to inspectors, samplers, examiners, and appraisers chosen for other motives than ascertained integrity and fitness, and against some of whom charges are preferred of ignorance and incompetency, of negligence and indifference, blended with occasional proofs of fraud and collusion.

The testimony does not seem to indicate any recent increase in the confidence entertained by the merchants in the accuracy and exactness with which the duties of the department are performed.

The appeals taken from the classifications fixed in the department, which in 1873 were about 500, increased in 1876 to 1,290, and for the first three months in 1877 numbered 515.

Complaints are rife, not only of errors in classification, but of the gravest faults in undervaluations; in the furnishing of samples; in passing blind invoices with no description of the merchandise; in an unfair recognition of constructive cost; in entries by appraisement without invoice; and in various irregularities. It is said that these and other evils are encouraged by unscrupulous importers, agents, or brokers, and we believe that no suggestion of ours will accomplish the reform demanded, unless it be accompanied by so vigilant a supervision as will secure in the officials of every grade fidelity and ability, with a due experience and judgment.

CHANGES SUGGESTED BY THE COMMISSION.

Looking to the convenience and efficacy of the work, we now recommend, with the concurrence of the appraiser and deputy appraiser, that the ten divisions be reduced to seven, with an assistant appraiser at the head of each; that the first division be devoted to the examination and classification of sugars; the second, to drugs and chemicals; that the third embrace parts of the present first, second, and ninth; the fourth, of the present eighth and tenth; the fifth, of the third and fourth; the sixth, of the fifth and sixth; and the seventh be devoted to damage allowance—the divisions to be limited, and located as the appraiser may direct.

The work of the seven divisions should be made by the appraiser as nearly equal as possible.

This arrangement, we think, will be of advantage to the Government in several particulars, assisting to accelerate the work in which the interests of commerce demand prompt dispatch, and to prevent importers and their agents from having direct and personal communication with examiners. We regard the last point as a condition essential to the proper appraisement of the goods, and one which is at present imperfectly observed.

We recommend that the three remaining assistant appraisers constitute a board, under the supervision of the appraiser, for the adjustment of disputed questions of classification, differences regarding damage allowance, appeals sent from the Department at Washington for report, questions that may require consultations with importers, and all other questions specially referred to it by the appraiser.

This board—the organization of which is approved by the appraiser and deputy appraiser—will relieve the chiefs of the divisions from the necessity that now exists of intermitting the responsible duties of classifications and appraisements for the consideration of other and difficult questions.

DAMAGE ALLOWANCE.

The seventh division we propose to charge with the question of damage-allowance, and the importance of the question is increased by the fact that perhaps no scheme is more frequently resorted to for subjecting the Government to excessive claims. Although the application for damage is required to be made within ten days, the question is frequently not considered until after the goods have gone into consumption, and allowances have been made for goods injured, if at all, long after the voyage was completed.

To remedy this evil, we recommend that the damage-allowance in all cases be ascertained before the goods pass out of the custody of the customs, and within thirty days after the landing of the goods. Should this view be approved, we think that large sums will be saved to the Government, and that the action proposed will be in harmony with the decision of the Supreme Court in *Sheldon vs. The Collector*, (5 Wallace, 118.)

We have also to suggest that on all packages on which damage is allowed, there be stencilled in plain letters the word "Damage," together with the amount of damage allowed.

The evidence shows that great looseness prevails in the examination and sampling of goods on the wharf, and that no one article is imported into the port of New York on which so much duty is collected as the article of sugar, and, according to the evidence taken by us, there is,

perhaps, no article on which the Government loses so much by devices or frands in the importation.

The duty on sugar is a double one, made up of a certain specific duty and twenty-five per cent. additional, based on color. The color taken for this purpose is what is known as the "Dutch standard." All below number 7, paying a certain rate; between 7 and 10, another rate, and so on.

In order to ascertain the true character of the sugar, the Government employs persons at a small rate of compensation, whose duty it is to take samples of cargoes of sugar on the wharf; these samples are sent to the examiner at the appraiser's store, who compares them with sugars of the required "Dutch standard," and classifies them accordingly for duty. It is therefore important that the samples taken should represent fairly the entire cargo on which duty is to be assessed.

It is well known, however, that a box or hogshead of sugar may be sampled so as to represent almost any color, as the sample may be taken from the top, middle, or bottom of the package, and of course it is for the interest of the importer to have the sample, if possible, represent the lowest grade.

In the present system of sampling sugar the Government must depend entirely for the true sample on an employé whose pay is trifling, over whom there seems to be but little oversight, and who may be subjected to great temptation.

It may be impossible in such a state of things to guard against the risk of wrong sampling entirely; but, apart from the more careful and systematic supervision which should be exercised, we would suggest as a safeguard that all sugar samples, on the classification being made, should be sent immediately by the appraiser to the custom-house, where they should be arranged and exhibited in a room open to the public scrutiny. These samples should be labelled by the assistant appraiser in charge, the label stating the name of the importer or owner, whence imported, the date of importation, the date of the appraiser's report, the name of the importing vessel, the marks and numbers, the classification, name of sampler, and name of examiner.

We may add that at the present, while the entire question of duty on goods examined on the wharf rests in a great part upon the sampler, an officer receiving but forty cents an hour, with abundant proofs of carelessness and incompetency, the check upon his actions seems to us altogether insufficient.

CORDING AND SEALING.

We would further suggest that the present method of cording and sealing at the appraiser's store may be advantageously exchanged for some more effective method of preventing the opening of a package.

REDUCTION OF THE FORCE.

We have considered the subject of reduction of force in this branch of the service with the more care, from the fact that the appraiser is of the opinion that it cannot be reduced with advantage to the public interests. In 1869, for example, there were imported into the port of New York goods of the value of \$340,619,234.

The force at the appraiser's office at that date, found sufficient to appraise and examine the vast amount then imported, was much less than that at the present date. It consisted of one appraiser, ten assistant appraisers, forty-four examiners, twenty-six clerks, sixteen samplers,

nine verifiers, four messengers, five foremen, and eighty-three openers and packers—or one hundred and ninety-eight in all.

In 1876 the value of imports into the port of New York was over \$30,000,000 less than in 1869, and the force employed to appraise this lessened amount is, as we have already stated, two hundred and twenty-four in all.

We do not see any reason why, in the depressed condition of business, resulting, as the evidence shows, in a greatly-lessened importation of goods, the force here could not be proportionately decreased, especially as two hours have, by your recent order, been added to the daily service of each man.

We are inclined to think, therefore, that the rule adopted in our first report may be safely adhered to, and that the force in the appraiser's office, except assistant appraisers whose number is fixed by statute, should be reduced, as regards examiners, to the same number as in 1869, the balance of the force twenty per cent., (retaining the most faithful and efficient employés;) and if, after the adoption of the new scheme which is expected to facilitate the labors of the department, an additional force shall still prove to be desirable, it will be easy for the appraiser and assistant appraiser to report their views for your consideration, and show the places where, and the reasons why, further employés are deemed essential.

Touching the salary of the messengers, we think that it should be made to correspond with the rule applied to those employed in the custom-house.

We have already expressed our opinion that there should be no difference in the pay of examiners; that no one should be appointed to this important office unless qualified to fulfill its duties, and that, therefore, all of them, if qualified, should be entitled to the maximum compensation allowed by law.

We would further suggest, in connection with this branch of the subject, that the assistant appraisers who constitute the board should be first selected for their pre-eminence in character, experience, and ability; and that the other members of the present force of assistant appraisers, examiners, clerks, samplers, verifiers, messengers, foremen, openers, and packers, all, without exception, be required to satisfy the said board of their good character, of their capability of performing properly the duties respectively required of them as a condition of their remaining in service.

We would further recommend that the appraiser, if consistent with the statute, be instructed to render a brief semi-annual report on the state of his department, to be based on separate reports from the board and from each of the assistant appraisers; on the individual conduct and general management of the force in the separate divisions, and in reference to the business of the half-year; the attempts to evade the customs, with the names of the parties, their agents or brokers, concerned in the business; and the changes, if any, which the appraiser's experience might suggest for increasing the safety, the efficiency, and the dispatch of the work. In view of the constant attempts at smuggling and the evasion of the customs laws, we respectfully recommend that a similar report be required from the surveyor, touching the entire force, and especially the good character and the mental and physical capacity of the force of the revenue service, of the inspectors and night-watchmen employed for steamers and sailing-vessels, and the attempts encountered by them to defraud the revenue, and the best method of anticipating and defeating such efforts.

PASSENGERS' BAGGAGE.

The subject of smuggling, by means of passengers' baggage, has received our attention.

When a steamship arrives, an inspector goes on board, and the baggage of emigrants is brought on deck, and the trunks or packages necessary to be examined are marked. All the baggage is then taken to Castle Garden for examination. Only those trunks or packages which are marked are examined, and the emigrant may be tempted to bribe the inspector not to mark his package. There was some evidence tending to show that this was done. When the marked packages reach Castle Garden they are subject to an examination, and if any dutiable articles are found they are seized.

The baggage of cabin-passengers takes a different course. It is landed at the dock with the passengers, and at once examined. It does not appear from the evidence that a large amount of dutiable merchandise intended for sale is attempted to be smuggled by way of personal baggage; but it was shown that the Government loses a large amount of duty by the bringing into the country, as personal baggage, of goods which are in fact dutiable.

The annual amount thus lost was variously estimated from \$25,000 to a much larger sum.

Several experienced officers of the service unite in recommending a plan by which they think this loss may be in great part saved. At present the examination is impeded by a want of proper accommodations. The trunks of the passengers are landed on the dock of the steamship, incumbered by packages of merchandise, impeded with vehicles and the appurtenances necessary to the lading and unlading the vessels, and crowded necessarily into a small space.

In the view of the officers referred to, the confusion attendant upon this condition of things renders it impossible for the Government officials to examine with proper care the baggage of passengers. We concur in their recommendation for the erection (on the land owned by the Government at the Battery) of a building sufficiently commodious for the examination of all baggage, whether of emigrants or of cabin-passengers, arriving in steamships.

When such a building shall be erected, all baggage should be taken possession of by the customs officers, and not delivered to the passengers until it has been thoroughly examined, and, when so examined, the duties payable should be paid on its delivery.

With a clear understanding on the part of passengers of the actual requirements of the law, and of their right to bring with them, free of duty, "wearing apparel in actual use, and other personal effects, (not merchandise,) professional books, implements, instruments and tools of trade, occupation, or employment, of persons arriving in the United States," the opinion was expressed by an officer of the service that a fair examination of the baggage, conducted courteously and impartially, would add to the revenue, and give offense only to the dishonest.

The disposition sometimes shown to avoid an examination would seem to be traceable in part to an impression that the revenue-officers, appearing as the guardians of the law, were not always acting in good faith, and that the money demanded and paid on the wharf did not certainly reach the customs treasury. Occasionally, too, there seems to have been a rigid examination, and the exaction of the highest duties, in one case, and an easy laxity, with no demand for duties, in another and simi-

lar case; and this contrast has occasioned the suggestion that certain officials were accustomed to use their official authority, under the act of Congress, as a means of procuring gratuities for themselves, or of punishing those who refuse to pay them.

THE SUGGESTIONS OF THE CHAMBER OF COMMERCE.

The suggestions presented by the committee of the Chamber of Commerce, and on which, in accordance with your request, we shall have the honor of submitting our views, look to the revision of our tariff and to amendments of the laws for the simplification of the customs system. We believe, however, that the restoration of the public confidence in the management of the service, and in the integrity, thoroughness, and efficiency of its force, is the most important thing to be now accomplished, and that, with that confidence established, it will be easy for the Government, aided by its trusty chiefs of the customs and the cordial co-operation of the merchants, to secure whatever legislation may be needed to conform the collection of the national revenues with the truest interest of our commerce and our industry, the revival of whose former prosperity is anxiously awaited by the country.

In conclusion, we respectfully recommend, as already suggested:

1. That the general practice of sending one package in ten for examination be frequently varied, by sending one in a smaller number, or by a scrutiny of all cases where the importers or their agents have subjected themselves to suspicion.

2. That our consuls in foreign ports be reminded of the importance to the customs-service of their careful fulfillment of the existing instructions in relation thereto; and we think that it would facilitate the performance of the appraiser's duties if the consuls were permitted by the State Department to correspond directly with the collector on those topics, furnishing advices of cost, and samples, without the delay of transmission to and from the Department at Washington.

3. That the divisions of the appraiser's department be re-organized in the manner we have suggested, with careful regard to the fitness of the appointees.

4. That for greater certainty in the matter of damage allowance, the damage be ascertained in all cases within thirty days after the landing of the goods, and before they pass out of the custody of the Government.

5. That samples of sugar sampled on the wharf should be arranged and exhibited in the custom house with the precautions alluded to.

6. That the present system of cording and sealing be exchanged for a more efficient and convenient plan.

7. That the force may be reduced in the manner specified.

8. That the pay of messengers be governed by the rule fixed for the custom-house, and that the pay of the examiners be equalized at the maximum compensation now allowed by law, a compensation which we think, in the interests of the revenue, should be increased by Congress in certain cases.

9. That, for the better prevention of losses of revenue through under-valuations, by smuggling, or by collusion in any manner with officials, the appraiser and surveyor be instructed to report semi-annually in the manner we have suggested.

10. That suitable accommodations would facilitate the examination of passengers' baggage, and that the duty should be intrusted only to offi-

cers whose personal character will insure its performance with fairness and courtesy.

All of which is respectfully submitted.

JOHN JAY.
LAW. TURNURE.
J. H. ROBINSON.

Hon. JOHN SHERMAN,
Secretary of the Treasury.

TREASURY DEPARTMENT, *September 12, 1877.*

GENTLEMEN: I have received, through Mr. Robinson, your report, of the date of August 31, on the method of doing business in the appraiser's department in the custom-house at New York, and have read it carefully, with general approval.

The recommendations made by you will be fully examined in detail, and be acted upon contemporaneously with the proposed change in the leading officers of that custom-house.

I await your report on the laws regulating the collection of duties, and trust it may be convenient to you to make it some time before the meeting of Congress.

Very respectfully,

JOHN SHERMAN,
Secretary.

Messrs. JOHN JAY,
LAWRENCE TURNURE,
J. H. ROBINSON,
Commission on the Custom-House, New York.

APPENDIX R.

NEW YORK, *May 31, 1877.*

DEAR SIR: As the only one of the commission whom I know even by sight, may I venture to ask if it is within the scope of the commission's powers to take cognizance of the mode of, and the regulations now governing, the passing and delivery through our custom-house of packages and parcels received by and through the foreign expresses here—i. e., those which ship and receive to and from foreign ports?

I have no special complaints to make against individuals or of any specific malfeasance, but the regulations which have obtained of late years have amounted, in my own case at least, (the Havana express,) to an almost positive prohibition of the business. They have practically killed it through the annoying restrictions, resulting delays, and excessive and, in many cases, unjust duties and charges imposed.

I refer especially to what I may call *minor* parcels of small value—assuming that packages of any considerable quantity or value should be, as they usually are, accompanied by proper invoices for regular entry.

These minor parcels are mainly samples, pure and simple, for merchants; samples (*practically*, though not *technically*) for manufacturers; trifles sent home by travelers to friends; small luxuries or necessities from parents to children at school here; articles sent for repair (American labor) to be returned; small presents of perishable fruit, &c.

We respectfully claim that this class of express-goods should have a facility for prompt examination and delivery, analogous to that accorded to United States mails and personal baggage—not (as has been objected to us) "because it aids what happens to be our special business," but on the same principle on which the merchants' letters have precedence, and the passengers' baggage has not to take turn with cargo.

Collector Hiram Barney listened to an appeal from the foreign expresses, and from him an order was obtained, (a copy of which is attached,) which will explain itself, and upon which packages paying not over twenty dollars duty were promptly appraised, duty paid, and the goods delivered in from twenty-four to thirty-six hours after reaching port.

I estimate that under this order by Mr. Barney we paid the Government from twenty-five to fifty per cent. more in duties than we have ever paid under the system since adopted. The facilities conceded by Mr. Barney have been step by step curtailed, and even the discretion in small matters, formerly allowed to deputy collectors, withdrawn to such a degree as to produce the result I have before mentioned on the express business.

We are told that the course now adopted is obligatory "under the act of 1791," whatever that may be.

Under the present system, at least, we have *paid duty* on samples, pure and simple, particularly when they were in transit for Europe. We have paid duty on samples *practically*, though not *technically*, such) for manufacturers. [Instance, on a single pair of shoes, a pattern for an order to be filled here; and such pattern was thrown on our hands, to our loss, as the manufacturer sent for a pair which came *free* of duty by private hand.]

We have had a small present of fruit so long delayed in examination for *duty* that it was abandoned after duty was paid, although we would cheerfully have paid four times the amount of duty, as a "sample-office charge," if it had been promptly delivered, as under Mr. Barney's order. And we have *repeatedly* within the last year, and but a week or two since, paid duty on old rusted tools and implements in use, (as surgical instruments, &c.,) sent to this country to be cleaned, repaired, and returned—a heavy tax on a demand for American labor.

Since Mr. Barney's time, we have in vain sought a hearing (with time to take a common-sense, business view of these matters) from collectors or Secretaries of the Treasury, and our appeals have been passed over and hearing refused, as we have reason to believe, on the reports and action of employés whose interest it was to make it appear that there was necessity for their being employed.

All we ask is, that the Government will take possession of every express-shipment and charge us what it *pleases*, even to an added percentage, if that is necessary, to meet the cost of special detailed examiners, *provided* we can have such prompt examination and delivery as was had under Mr. Barney's order.

There are other exacting and severe regulations in the matter of obtaining appraisement orders for these minor parcels which I would speak of if this inquiry is within the range of the commission; if not, I have said enough to indicate the nature of the grievance, and ask your indulgence for my prolixity.

I remain, sir, very respectfully, yours,

JOHN W. CARRINGTON,
Carrington & Co.'s Express, 3 Bowling Green.

LAWRENCE TURNURE, Esq.,
Custom-House Investigating Commission.

CUSTOM-HOUSE, NEW YORK,
Warehouse Bureau, August 23, 1862.

SIR: For the purpose of facilitating the delivery of packages from the sample-office, in accordance with the course suggested by the United States appraisers, I have the honor respectfully to submit for your consideration the following regulation:

Whenever the appraiser detailed to examine packages at the sample-office shall discover any package of samples of mercantile value, the dutiable value of which shall not exceed twenty dollars, he shall, for each and every package, fill up the blank column in Form 85 of General Treasury Regulations, inserting under the head of "Report of Appraisers" a description of the merchandise and the value thereof, and affix his initials thereto. Form 85, when so filled up, will be designated as a sample-entry, and will be delivered to the importer; and on being presented, in duplicate, to the entry-clerk in the collector's office, and in the naval office, the duties will be estimated and a permit issued, as follows:

"DISTRICT AND PORT OF NEW YORK,
"Custom-House, — day of —, 18—.

"To the STOREKEEPER OF THE PORT:

"The duties thereon having been paid, you will deliver from the sample office the following examined packages: —, per ship — from —.

"—, Collector.

"—, Naval Officer."

As it is desirable that this class of entries should have precedence over all others, and as the sample office has been attached to the third division, I would respectfully

suggest the propriety of designating the chief clerk of that division as the officer to estimate the duties and I issue the permit.

Very respectfully, your obedient servant,

HAMILTON BRUCE,
Deputy Collector, Third Division.

Hon. HIRAM BARNEY, *Collector, &c.*

COLLECTOR'S OFFICE, *August 23, 1862.*

Approved. Let the regulation be put in practice.

HIRAM BARNEY, *Collector.*

To the STOREKEEPER OF THE PORT.

APPENDIX S.

From the Hon. Royal Phelps, on the inconvenient position of the appraiser's office.

MY DEAR SIR: I have never been able to find out the reason for the renting of the stores at the foot of Laight street for the appraisers' offices. This location is at least two miles' distance from the custom-house, and as no goods are dispatched without frequent application at both places, it follows that merchants are put to great inconvenience and expense by having the appraisers so far away from the custom-house, to say nothing of the greater facilities the appraisers have for committing fraud, if they should be so inclined, by being, so to say, isolated from easy contact with the collector and deputy collectors of the custom-house. Some of the parties who ought to know why these stores are rented so far away from the custom-house said it was done in the interest of the dry-goods merchants, but I think it is only an excuse, for why should the importers of so many other articles be made to suffer for the benefit of the dry-goods men? Sugar is the most valuable and the most bulky article imported into the country, and, as you know, is all bonded (so to speak) in Brooklyn, and why should we not have the samples examined and the appraisement made at or somewhere near the custom-house, instead of going two miles away from the custom-house and the place of landing to have it done? In the appraiser's office there are more opportunities for frauds than in any other department of the customs. Then why have the appraiser's office so far away from the observation of the revenue officers of the port?

Again, why should there not be some place near the custom-house for sending packages of samples to? It is not an uncommon thing to have to send a clerk two or three times up to the appraiser's office to get a sample of coffee. This is troublesome and expensive, and might be avoided or at least partly mitigated.

It cannot be said that the appraisers' stores were taken because they were cheap. If you agree with me in the absurdity of having to cart our samples of sugar two miles away from the custom-house to get them appraised, thus practically preventing the appraiser from testing the correctness and honesty of the sampler, I hope you will advocate a reform in this respect.

I remain, my dear sir, your obedient servant,

ROYAL PHELPS.
Of Maitland, Phelps & Co.

LAWRENCE TURNURE, &c.
(Personal.)

APPENDIX T.

From Collector Arthur, concerning the public stores.

CUSTOM-HOUSE, NEW YORK CITY,
Collector's Office, July 19, 1877.

SIR: In answer to your note of the 17th instant, I have to report that, on the expiration of the lease of the stores formerly occupied by the appraiser in Church and Greenwich streets, the present appraisers' stores, so called, foot of Laight street, were selected and hired by the honorable Secretary of the Treasury.

Proposals were invited for locations by the Treasury Department; several offers were received, the advantages and disadvantages of each examined and considered by the Department and attachés thereof, who, acting under instructions of the Secretary of the Treasury, visited this city for that purpose. After such examination and consideration, the present stores were selected by the Treasury Department, and accordingly a lease was made by Paul N. Spofford, the owner, to the Secretary of the Treasury for

three years, subject to two renewals of three years each, with a re-appraisal of rent. The rent for the first term was \$9,657.24 per annum, which rental was based upon an appraisement of the premises made in pursuance of instructions from the Department. The second term commenced on the 1st of May last, based upon a second appraisement as to rent, made also by order of the Department. The rent for this term is understood to be \$53,400, which, it will be observed, is less by \$31,000, and more, than that paid for the first term; but as to the execution of the lease for this second term this office is not advised by the Department.

The accommodations are amply sufficient for the present, and the location is considered a good one, the remoteness from the custom-house being more than counterbalanced by the proximity to the shipping, and consequent saving in the expense of cartage.

I am, very respectfully,

C. A. ARTHUR,
Collector.

Hon. JOHN JAY,
Chairman, &c.

APPENDIX U.

PORT OF NEW YORK,
Appraiser's Office, August 24, 1877.

DEAR SIR: On page 6 of your second report on the New York custom-house I notice that you state that "the invoices which are recorded in that [this] office, and which are sent out to the different divisions to be passed upon, and then returned to the chief clerk, are found to exhibit, on their return, errors on the part of the several divisions—according to one witness, of nearly eight hundred errors a month, although the number by the appraiser was estimated at a lesser figure."

You will recollect, I doubt not, that the appraiser did not make any estimate, but handed you a table prepared by the chief clerk of the invoice bureau—the "one witness" mentioned in your report—showing the exact number of such invoices during my term as appraiser.

I inclose a table (covering what was given in the former statement and adding the other two months) showing the number of invoices returned or recalled for consideration or correction during the five completed months that I have occupied the office. Many of these are not charged, and what had been thought an error did not prove to be one.

I have forwarded by mail a table showing assignment of officers and merchandise.

Reconsideration invoices.—(Divisions.)

MARCH, 1877.

1st.	2d.	3d.	4th.	5th.	6th.	7th.	8th.	9th.	10th.	
6	39	70	181	82	24	16	25	31	60	Total 534

APRIL.

1st.	2d.	3d.	4th.	5th.	6th.	7th.	8th.	9th.	10th.	
4	48	68	158	66	27	23	20	37	41	Total 492

MAY.

1st.	2d.	3d.	4th.	5th.	6th.	7th.	8th.	9th.	10th.	
5	66	55	124	51	19	18	24	23	39	Total 424

JUNE.

1st.	2d.	3d.	4th.	5th.	6th.	7th.	8th.	9th.	10th.	
20	62	36	79	42	20	26	49	41	46	Total 421

JULY.

1st.	2d.	3d.	4th.	5th.	6th.	7th.	8th.	9th.	10th.	
7	67	34	86	31	26	19	54	41	29	Total 394

Very respectfully,

S. B. DUTCHER,
Appraiser.

J. H. ROBINSON, Esq.,
Assistant Solicitor, Washington, D. C.

APPENDIX V.

From Deputy Appraiser John A. Bausch.

PORT OF NEW YORK,
Appraiser's Office, July 17, 1877.

SIR: I have the pleasure of acknowledging the receipt of your letter of 16th instant, referring to suggestions I might make in relation to further instructions to our consuls abroad in connection with their officially certifying to invoices of merchandise for this country.

I have attempted several times to prepare something of the kind that might be useful in protecting the interests of the customs-revenue, but find that the present consular instructions embrace about all that is required, if properly carried out by the consuls.

It would be advantageous if the consuls corresponded direct with this office; such has not been the case.

Questions often arise, under our tariff, especially in regard to the chief value of different materials of which mixed fabrics are composed, that, if we were authorized to communicate direct with the consul, and furnish samples of which we require to be informed, it would be of great service to this department.

My idea has been to have behind the consuls in the principal manufacturing districts of Europe some intelligent and reliable source from whom we could gain absolute facts of the cost to manufacture, the market value, and to obtain privately samples of all the leading fabrics made in those districts.

This does not seem to be a duty that our consuls, with their other duties, can attend to, and would require an independent organization, although, at the same time, it could receive assistance from those officers.

I do not, at this moment, think of more to suggest, and am afraid I have not been of much service to you; but if anything occurs to me worthy of suggestion, I shall inform you.

Very respectfully,

J. A. BAUSCH.

Hon. JOHN JAY, *Chairman.*

REPORT OF THE COMMISSION TO INVESTIGATE THE
PHILADELPHIA CUSTOM-HOUSE.PHILADELPHIA, *September 6, 1877.*

SIR: Under your instructions of June 2, last, we have examined into the conduct of business at the Philadelphia custom-house, and present the following report of our proceedings and of our conclusions upon all but the last subject of inquiry, which is of such importance, we think, as to require special consideration in a supplemental report.

The general object of the inquiry was declared to be "to ascertain what abuses, if any, exist in the transaction of custom-house business at Philadelphia, and to secure such suggestions as will promote economy and efficiency in the service," and our attention was specially directed to nine points of investigation.

As the worth of our conclusions depend largely upon the closeness of our observation, and the quantity and quality of information obtained, a brief statement of our course of proceeding may be of advantage.

We endeavored, first, to acquaint ourselves with the practical operations of the service in each department, and with the character of the force employed therein, by examining each clerk at his desk as to the duties performed by him, and inspecting the records, abstracts, and other official papers in connection.

To obtain information on the special subjects of inquiry, the organization of the commission was duly announced and the instructions published in the journals of the city, and communications were addressed to the several commercial associations inviting their aid. Subsequently notice was given, by advertisement, of public sessions, at which it was announced that all persons having information and suggestions to offer would be heard and complaints would be received. It was further announced that such communications might be made privately, by writing or otherwise, and would receive proper attention.

The public sessions were attended by some of the prominent merchants, brokers, and others interested in the commerce of the port; by representatives of some of the commercial associations, and others, from whom interesting and valuable statements and communications were received, bearing chiefly, however, on the condition of the sugar trade, or on subjects connected with the inquiry respecting changes in the revenue law.

No charges affecting the character of any officer in the service were made at the public sessions, but, on the contrary, there was a general expression of satisfaction with the manner in which the customs-service is conducted at this port by the representatives of the business community whom we met.

Charges and complaints, both of a general nature and against individuals, were privately communicated, and received due consideration. Those affecting individuals in the service were brought to their attention, and answer under oath required, with full opportunity for explanation or defense. Some of these charges related to past transactions, which have been heretofore investigated by agents of the Department, but, considering them to be covered by our instructions, we took such testimony as was deemed sufficient to establish the substantial facts.

Special Agents Ayer and Williams were active and efficient in procuring information, and whatever appeared to be worthy of attention was submitted to the commission and duly considered.

Finally, the testimony of the chief officers, and of a number of the subordinates, and of all persons having material knowledge or information, (so far as we could discover them and procure their attendance before the commission,) was taken on the specified points of inquiry as fully as seemed to be necessary. These proceedings occupied forty-four days of session.

The statements and testimony of seventy-seven persons were taken and reduced to writing. Communications were received from the Board of Trade, Commercial Exchange, Maritime Exchange, Drug Exchange, Wholesale Grocers' Association, and from some citizens and officers; and various schedules and exhibits were either produced by witnesses or prepared by direction of the commission in connection with the subjects of inquiry; all of which, covering more than twenty-seven hundred pages of manuscript, we respectfully return and submit with the report.

The details and results of our investigation will be presented in the order indicated by the instructions.

First. The first point of inquiry specified was, whether the present force is in excess of the needs of the service; and we found it a difficult matter to investigate and determine.

It appears that the force has been twice reduced within a few years, after examination by special agents, and the last time no longer ago than the beginning of the present year, when, as we are informed, there was a reduction of nineteen in number, and about \$30,000 in expenditure.

We called on each head of a department, and also on each of the deputies and other principal officers, for his opinion whether the force in his particular branch and in general is still excessive. With the exceptions hereafter noted, each officer testified that in his opinion the force is not greater, but rather, as some thought, less than the service requires.

We made, nevertheless, as thorough an examination as we could of each department; and in those cases in which some reduction of the force seemed to us practicable, we further consulted with and obtained the views of the chief or acting chief officer thereupon; and these, when stated in writing, we have annexed, and submit herewith for consideration.

Where these officers have disagreed with us, as will be seen in some instances, we trust the views which we have felt bound to present will be considered in connection with such as the officers in question have presented or may desire to present; for it would cause us the deepest regret if, by any lack of technical knowledge or imperfect examination on our part, injustice should be done to any individual or injury to the public service. It is because of the diffidence with which we dissent from their opinions that we have thought it desirable to state our impressions with greater fullness than would otherwise be required.

THE COLLECTOR'S DEPARTMENT.

In this department we consider, first, that portion of the force which is employed in the custom-house.

It is composed of two deputies, thirty-six clerks, and seven minor officials, such as messengers, watchmen, &c. The clerks are organized in divisions, and graded as to compensation, in general, on the Department plan. Besides a cashier and assistant cashier, at \$2,500 and \$2,000,

there are four \$1,800, thirteen \$1,600, thirteen \$1,400, and four \$1,200 clerks.

We specially examined each one of the clerical force as to the nature and extent of his duties, and had opportunities of observing the general conduct of business and the working tone of the force.

Our conclusion that it can be somewhat reduced without injury to the service is largely based on the conviction that more perfect organization can and should be attained, although the aid of legislation is perhaps necessary to fully accomplish this result.

The chief defect in the existing system seemed to be an inability to utilize the entire time of many of the force; partly, perhaps, from unequal distribution of labor, but mainly, no doubt, from the special causes hereafter mentioned.

We think it of great importance that this should be remedied, because our business experience convinces us that the presence in a clerical force of some who are frequently, or for any length of time, unemployed cannot but impair the general working tone. Idleness is contagious, and apt to become epidemic in a public office. The most efficient force is that in which each clerk is kept fully employed.

We assume, of course, that full and active occupation may rightfully be expected of every customs-officer during such term of service as may be required by the proper authority; and that it is the duty of such authority to so direct the organization of the customs-service, and the distribution of duties among its officers, as to secure this result to the utmost possible extent.

The facts, in this respect, seemed to us to be as follows: While there was no clerk who had not some duties to perform, (and some have, at times, to work out of office-hours to keep up the business at their desks,) there were more who frequently had nothing to do. The duties of some seemed sufficient to keep them generally well employed. In other cases we did not get the same impression.

The collector, upon whom the task of organization more immediately falls, has held the position but a little more than one year, during which the extraordinary addition of business connected with the importations of exhibitors at the Centennial must have absorbed a great deal of his time and attention. Though not previously engaged in the customs-service, he has labored assiduously, and with success, as appears by his statement herewith submitted, in reducing the public expenditure for pay of officers and otherwise at this port, and in the correction of various irregularities and abuses. We have entire confidence in his disposition to improve the organization of his force to the full extent of his experience and ability; and we found him always attentive to our suggestions, and prompt and decided in enforcing those which his judgment approved. He was unable to fully agree with us as to the proposed reduction in his office of one deputy collector and four clerks, with aggregate compensation of \$8,800, thinking that one clerk in the statistical department only can be dropped, and that the amount of his salary should be divided among others.

This disagreement may arise from our misunderstanding the facts, and, if that be shown, there is no more to be said; but, if we are not mistaken in that regard, it is desirable, perhaps, that we should state more fully the grounds of our belief that, by more perfect organization at least, such a reduction can be made.

The causes of the condition of things above stated need to be considered, and some of these arise from the nature of the work itself and

cannot be removed; while others are accidental and can be remedied by proper administration and legislation.

Among the inherent causes is the various quality of the work, which passes by many gradations from that which requires superior intelligence, thorough acquaintance with the law and regulations, and expert administration, to that which admits of mere clerical capacity and a moderate degree of experience. This naturally tends to the creation of positions with special and very limited duties, and is, perhaps, the greatest obstacle to an equal division of labor.

The work differs also in kind, according to the circumstances which attend and control its performance.

While at some desks the preparation of abstracts and reports, or statistics, may furnish work which is in a measure continuous, at a majority of them the clerks, like salesmen at the counter, await and serve the merchants and others who are their customers. According to the course of trade they may be kept busy or may not be called upon for hours, or even days. Their transactions with the records, and reports made thereof, are the staple business of the department, and as it is needful that the business community be, at all times, served with dispatch, it is proper that a force sufficient for that purpose should be maintained. The tendency, as might be expected, is to stock each special branch or subdivision with ample force for the busiest season, and by consequence there are periods, of greater or less duration, when employment is either lacking or insufficient, and idleness prevails.

These are genuine difficulties, inseparable from the subject, encountered in private as well as public business organizations, and requiring always no small degree of labor, patience, and administrative skill and experience to surmount; but as the head of such a department is presumably selected with reference to his fitness for such a task, and is compensated accordingly, as much at least should be expected of him in enforcing economy of time and money in such cases as of one administering the business as his own.

But aside from these natural obstacles to good organization in this particular, there are others more serious, such as the uncertain tenure of office and the lack of just regulation of appointments, which cannot be absolutely removed except by legislation, though the head of a department, by strict adherence to business principles in his administration, can do a great deal to remedy the defects of the present system.

These, fortunately, are occupying so much of the public attention, and have been so generally discussed, that we need not enlarge upon them. None of the officials in the customs-service have to do with matters of political policy. Their functions are purely administrative. Their compensation is drawn from the public funds, and their service is due to the whole people. Yet the schedule of the force, which is herewith submitted, shows that considerations of partisan politics have generally, if not uniformly, influenced the appointments; that there is but one clerk whose term of service has reached ten years; that, with this exception, about eight years is the longest term, and that nearly one-half of the appointments have been within the last four or five years, and many of them within the year 1876. Some of the recent appointments in the higher grades have been by promotion, and others have been from without the service. Apparently, it has not been the rule to make appointments originally in the lower grades, and to fill vacancies in the higher grades by selecting therefrom the most active and efficient.

There may be reasons for this condition of things of which we are

not advised; but it is none the less true that frequent changes in a force are destructive to good organization, and that it takes considerable time for an inexperienced appointee, however great his natural capacity may be, to become proficient in his business; so that, as a rule, it is contrary to sound policy to make such appointments in the higher grades.

The discouraging effect of this on those who, justly or otherwise, may consider that their claims to promotion have been ignored, is an important element, and may account for the listless appearance and spiritless action which is almost characteristic of an official body.

The difficulty, under these conditions, of adjusting the force to the work to be done, so as to obtain the best results with the greatest economy of time and money, is not underrated by us; nor do we look for perfection in the service, but shall be content if we can, in any way, promote its improvement.

The remedies which we have to suggest, to meet the inherent difficulties of the case, are as follows:

First. There should be a thorough examination of the force by competent persons, at intervals of at least once in each year, in which the equalization of labor and redistribution of duties should be specially considered. An overburdened clerk should be relieved by some other, having intervals of leisure. Work that can be done by three men should not be distributed among four or five. In exacting full work, the full value of it should of course be paid, and the question of just compensation should not be overlooked. Justice at least should be done, and liberality in return for good service is the best policy.

Second. The tendency to divide the work into specialties should be restrained. The usual course is to assign certain duties to an appointee, which, in time, he learns to perform, and with the performance of which he rests content, although his time may be but partially occupied. He is not required to familiarize himself with other work in his leisure time, nor has there been any incentive, in the condition of the service hitherto, for him voluntarily to do so.

It should be understood that the duties of subordinates are not to be so limited, but that they may be called upon to discharge any duty for which they are competent, in their branch of the service, and they should be required to utilize their leisure in assisting others, or in familiarizing themselves generally with other duties, so as to be of service in cases of sickness or absence.

It is of the utmost importance that their hearty co-operation in this should be secured, by providing that advancement and increased compensation can only and will surely be the reward of the deserving. With such inducements there would be many who would strive to qualify themselves, by diligence and general knowledge of the requirements of the service, for promotion, and thus there would be trained for the higher positions the expert administrators which an efficient service demands.

As to the other difficulties, the appointing power for the time being can always control if not remove them; but absolute assurance can only be given by legislation. A fair and equal chance should be given for entrance to and promotion in the public service, and no officer should be removable except for cause affecting his integrity or efficiency.

The practical bearing of these views and suggestions will be better understood, perhaps, by some illustrations from the force under consideration.

A deputy collector authorized to act in the place of the collector in

case of his sickness or necessary absence is provided for by law, and is needed in fact, and there is a deputy with this special power, whose ordinary duty is that of auditor. Beyond this, we see no reason for a deputy at this port.

There is a great deal of routine business in which the collector's action is required which the collector cannot be expected to personally perform, and which is now done by a deputy and the chief estimating and liquidating clerks acting as deputies; but we do not see why all the functions of the collector that may properly be delegated cannot be suitably performed by the acting deputies, and still leave them time to perform some of their ordinary duties, while the residue could be transferred to the clerks of their respective divisions. We would recommend, in that case, that their salaries be increased to \$2,000.

The collector agrees with us in considering \$3,000 a greater compensation than the proper duties of a general deputy here is worth, when compared with that of others, but is not satisfied that the work can be done with less than the present force.

We find, however, in the naval office but one estimating and one liquidating clerk, as against seven in the two corresponding divisions of the collector. His clerks, it is true, have in some cases other duties to perform, but, with due allowance for that, we are still of opinion that among them they can readily dispose of their present duties and the deputy work in addition. The number of acting deputies could, of course, be increased if convenience should render it advisable.

It is important, however, that the authority of the acting deputies should be confined strictly to action in the regular form provided by law and regulations, and all doubtful questions and matters involving a construction of authority should be reserved for the personal decision and action of the collector.

In the cashier's division are employed a cashier, assistant cashier, and fee-clerk, at \$2,500, \$2,000, and \$1,600, respectively. They receive the duties in gold, the fees in currency, make the proper entry of their transactions in their books and reports thereof to the department as required, and deposit daily the amount received with the assistant treasurer.

The number of original entries of all kinds passed monthly at the port will average about 800, or 200 per week, the majority of which are for consumption. The payments of duties on these and on withdrawal entries are the staple transactions at the coin-desk. Those at the currency-desk include not only the usual fees on passing an entry, but payments of fees from various other sources, so that the number of transactions there is greater. We annex a statement made up in the naval office, where the same transactions are entered, of the daily number at each desk for the months of March and October, 1876, and June, 1877, as representing, respectively, a busy and a dull time.

Taking the month of October, 1876, for example, the greatest number of transactions in any day, exclusive of centennial business, was, at the coin-desk, 105, and in March, 1876, 113; at the currency desk, 179. The daily average was about 55 at the former and 116 at the latter; and in June, 1877, 38 at the former and 96 at the latter.

It seemed to us that two experts in handling money, such as bank-tellers would be, could attend to this business, including the accounts, even at the busiest time, but the collector, upon careful consideration, cannot agree with us, and in so important a matter we have no desire to deprive him of any assistance deemed needful by him, unless, on further examination, our views shall be sustained.

In each of the divisions described in the schedule as the auditor's, warehouse, and statistical, we think that there can be a consolidation of the duties assigned to the several desks so as to dispense with one clerk in each.

The collector agrees that one can be spared from the statistical division, but not from the others.

It is proper to observe, in this connection, that although there was considerable reduction in the collector's force at the beginning of the present year, almost all of it was taken from outside employes, such as day and night inspectors. But one \$1,600 clerk was dropped from the clerical force now under consideration. We mention this to show that we are not proposing to reduce a lately-depleted force.

We recommend the suspension of the assistant collector at Camden, whose office is created by section 2444 of the Revised Statutes, on the ground that the duties of the office are not sufficient to justify its continuance, and that they can be conveniently transacted at this port, provided there is no legal obstacle to that course; and in the advisability of this the collector agrees. For this reason we did not think it necessary to go into an examination of the character and capacity of this officer.

We pass over the storekeeper's and other divisions of the force under the collector's immediate control, as it did not appear, on such examinations as we were able to make, that the number at present employed is in excess of the needs of the service.

If the changes above proposed, or any of them, be deemed advisable by the Department, the consequent re-arrangement of duties will no doubt add materially to the labor and responsibility of some of those who remain, and, in such cases, we think the compensation of those who on proper examination shall be found worthy should be suitably increased.

Some part of the considerable reduction of the expense which would be effected might be most judiciously employed in rewarding, in like manner, those who have been distinguished for industry and good conduct. But the saving of expense, though desirable, has not been our chief object, for, even at the same cost, we think the work would be better done by a compact and well-paid than by an overabundant but ill-paid force.

THE NAVAL OFFICE.

The present organization of the naval office includes a naval officer, at \$5,000; deputy, at \$2,500; one \$1,800, one \$1,600, and four \$1,200 clerks; with a messenger, at \$720. Total, \$16,420.

The office and compensation of naval officer at this port are established by statute. Elsewhere we suggest the propriety of a change in the law, but have based the reduction of three \$1,200-clerks herein proposed on the assumption that the existing provisions will be retained.

The views expressed as to the conduct of business and the general condition of the force in the collector's office are, to some extent, applicable here, but, as the deputy, who has been virtually the chief officer, fully concurs in our conclusions, it is unnecessary to go into the details.

We think the clerk last appointed has not enough to do, and may be spared, and that two others can be relieved and their duties transferred, provided the naval officer and deputy are required to undertake the discharge of these or some equivalent duties; the fact being that the naval officer does little else than draw his salary, and the deputy, who mostly does the work of his chief, is not very fully occupied therewith.

We are under obligations to Mr. Porter, the deputy, for information and many valuable suggestions, some of which, concerning a re-organization of the office, we take pleasure in transmitting for consideration.

If no radical change in the functions of this office be made by Congress, we think that, with the reduction of the salary of the chief officer, which is now out of proportion to any service that may be required, the office can be as well or better conducted with the following staff: Naval officer, \$3,000; deputy, \$2,500; one \$1,800 and one \$1,600 clerk; messenger, \$300. Total, \$9,200.

This scheme includes no provision for lay-figures. It assumes that the chief officers are experienced, and do their full share of the clerical work. The force is made small and the salaries high, on the theory that it should be composed of the expert clerks now employed, two of whom have been in the service almost twelve years. It involves, of course, the consolidation on four officers of the duties now distributed among eight. Attendance by the chief officer should be strictly enforced, and the deputy's action for him should be confined to the lawful grounds of sickness or necessary and authorized absence.

We submit a schedule of the names, compensation, duties, &c., of the existing force.

THE SURVEYOR'S DEPARTMENT.

The surveyor's office proper consists of the surveyor, \$5,000; two deputies, \$2,500 each; one \$1,400 and one \$1,200 clerk; messenger, \$720. Total, \$13,320.

We were at first of opinion that one of the deputies should be dispensed with, and his duties transferred to the surveyor. Heads of departments are, in general, liberally compensated, and much is to be expected of them. In no way can the service be so much improved as by the personal supervision and exertions of the chief officers. We do not mean to intimate that this duty has been neglected in the present instance, but to insist, in this, as in all the departments, on the utmost degree of it; and this the change suggested will promote. But the surveyor was very strongly of the opinion that a deputy is needed for the inside or office work; and it was suggested that the chief weigher, whose salary is \$2,000, might be dispensed with, and his duties attended to from the main office. The collector, in whose force he nominally belongs, was of the same opinion; and this change perhaps will suffice for the purpose, if the duties of the weigher are carefully attended to.

The inspector's force of forty-eight day and twenty-eight night officers seemed to have been brought as low as is consistent with safety to the revenue. There are some quite old men on it, but the surveyor testified that they are detailed to positions which they are competent to fill. We examined quite a number of them, and some, also, of the weigher's force, and were, in general, favorably impressed with their appearance. The inspectress does little or nothing, but it may not be safe to dispense with the position. We see no reason why she should not be employed in examining baggage generally, as inspectors do, and in other suitable work. We submit a schedule of the force, and a series of tabulated statements prepared by the surveyor, showing the number of the force under him now as being much less than the number in 1869, when the work was very much less than at present, and showing also a considerable reduction effected in the cost of weighing goods in the past six years.

THE APPRAISER'S DEPARTMENT.

In the appraiser's department there is one \$1,500, three \$1,300, and one \$1,200 clerk—total, \$6,600 for the clerical force, which is the only branch deemed in excess.

In our judgment the duties of the three \$1,300 desks can be efficiently performed by two. The \$1,200 clerk does nothing but take down in a book the marks and numbers of packages brought into the appraiser's store, which can as well be done by one of the laborers.

The appraiser does not concur in this.

Elsewhere we offer some suggestions in connection with a proposed increase of some branches of the appraiser's force.

The following is a summary of our proposed reductions:

In the collector's office, one deputy and four clerks, with aggregate compensation of \$8,800.

In the naval office, three clerks, \$3,600.

In the surveyor's department, one weigher, \$2,000.

In the appraiser's office, two clerks, \$2,500.

In arriving at these conclusions from our observations, we have endeavored to give due consideration to the possible effect on the customs business at the time of examination both of the general dullness of trade in the summer and of the extraordinary depression of commerce which is prevalent, and have intended to be rather conservative than otherwise. We examined in this connection, and submit herewith, the statistics of exports and imports of every kind in this customs-district during the year 1876, and a like statement for the fiscal year ending June 30, 1877, tabulated and furnished by Mr. Loes, of the statistical division, and published in the North American; also the North American issue entitled "Philadelphia in 1876," containing a full view of the foreign as well as domestic trade of the city for that year.

We have no space for details, and can only say that while the tables show a yearly decrease in the value of imports since 1873, we believe this is almost wholly confined to the diminished importation of sugar, and that the direct importation of dry goods and miscellaneous merchandise has increased. The transactions in these are not on a large scale, and it is possible, therefore, for the volume of business at the custom-house to be sustained or even increased, although the value of imports and receipts of duties have diminished. Judging from the receipts of duties in 1875 and 1876, December and January would be the dulllest months of the year for business, and the summer-months present a very good average.

Second. We were directed to inquire whether any of the force now employed are deficient in proper attention to business, in business qualifications, or integrity of character. The fullest opportunity for presenting charges and complaints against any member of the force, on these grounds, was given, and nearly every witness was questioned as to his knowledge of any case of such deficiency. The general statement of the witnesses was that no such deficiencies had come under their observation. In a few instances charges and complaints were made which will be noticed in the proper connection. It was gratifying to observe, not only from the absence of complaints, but from voluntary expressions of confidence and commendation, that the administration of business is generally satisfactory to the business community.

We confine our report under this head to cases where general deficiency at the present time is shown or charged. Particular forms of

such deficiencies are reported on as included in the instructions under other heads.

We consider the naval officer deficient in proper attention to business. It is in evidence that, by reason of his continued and protracted absences from his post, nine-tenths of his work is done by the deputy. The excessive force has made this possible, for Mr. Hiestand would, no doubt, have given the necessary attention to his duties if he had not reason to believe that they were as well performed by another. He frankly admitted that he considered his presence and position superfluous, but thought, inasmuch as the place and salary were provided for by law, he might as well have the benefit thereof as any one else.

The fallacy that such positions of public trust are in the nature of perquisites, and can be bestowed in consideration of friendship or partisan service, to be held in a sort of honorary way by persons not specially qualified by skill and experience, who may give a merely nominal attendance to the duties of the office while relying on some subordinate for the actual discharge of their personal functions, is, in our judgment, one of the chief obstacles to an efficient service. The headship of a trained administrator is felt in every fiber of the official body, and his quick eye and firm hand are worth a library of rules and regulations. The reform that insures such administration will go far to remedy the defects of the present system.

The appraiser was charged by a late official with inattention to duty and want of business qualifications. So far as there may be ground for the former, it will be noticed elsewhere. No complaint was made to us by any merchant or broker of inattention to their wants; but, on the contrary, a number gave him strong commendation.

The latter charge is more easily made than determined. So far as the issue is made on lack of technical knowledge and skill, it ought to be adjudged by experts, which we do not claim to be. The practical view we took of it was, that if the officer was incompetent either the merchants on the one hand or the Government on the other, or both, must have suffered by it. The merchants entered no complaint, and those who testified were complimentary.

The specifications by the complainant of injury to the Government were by reason of general negligence and incapacity in making the appraisements and returns; of failure to personally supervise this and other work; and of loss of duties through incapacity or neglect, in failing to detect and report, with due diligence, alleged undervaluations in certain cases which had been called to his attention.

The collector's officers who have chiefly to do with this department were called before us, and their evidence tends to disprove the first of the above specifications.

As to the matter of personal supervision, we had only the counter statements of the parties and the results of our general investigation of the department to judge from.

On the whole, we do not think it would be fair to say that this officer has been generally deficient in this qualification, though the irregularities hereinafter noticed which have prevailed in the department, indicate that in some respects he should have been more watchful. He, doubtless, has given as much attention to details of business as is customary with official head men; but this is one of the points in which we think a general improvement is called for.

We deem it unnecessary to say much on the last specification. There was considerable evidence tending to show that in one case, and perhaps two, there has been a loss of duties on invoices passed at an

undervaluation. This is possible even with an officer of seven years' experience, without proving him incapable. If it had been shown in more instances, we should have regarded it as a very grave matter. Undervaluation is the commonest form of fraud in importations, and is believed by some to be the rule with certain classes of goods, and yet we cannot help observing that reports for prosecution of this offense from the custom-house are almost unknown at this port, a fact that is either exceedingly creditable to its importers or discreditable to its revenue-officers.

The testimony as to inefficiency in prosecuting these matters when brought to his attention was conflicting, and, as we discover no intentional violation of duty, we prefer to give the officer the benefit of every doubt.

Ill feeling has long existed between the parties to this controversy, which culminated on one occasion, in the appraiser's office, in an unseemly altercation and personal violence.

In a communication from the Maritime Exchange, our attention was called, among other things, to an abuse in the service, as follows: "The present system of obtaining permits to place sick seamen in hospital reflects severely upon the hospital service, owing to the fact that the officer in charge of the issuing of permits is seldom at his office. There have been numerous cases of sick seamen waiting for a number of hours at the custom-house to obtain permits, and in some cases have been unable to obtain them on account of the continued absence of the officer."

Prior to the receipt of the above communication, the commission, in course of their investigation, had discovered irregularities in this service, and thought it their duty to inquire into the whole subject; but doubts having been suggested as to whether the surgeon in charge was a customs-officer and included by the scope of their instructions, and the matter seeming to them important to the interests of the sailors who pay a hospital-tax and have a consequent right to the benefit of the attention of the Government in case of sickness, it was thought best to address a letter of inquiry to the Department as to the authority of the commission in this respect, to which a reply was received, under date of June 16, which authorized and requested the commission to pursue the investigation.

The whole subject has been carefully considered, and the following facts developed:

The physician in charge is Dr. Henry Muhlenberg, who resides in Lancaster, 69 miles from Philadelphia. He seldom reaches his office at the custom-house before half past ten o'clock, and leaves it at three in the afternoon. He is shown to be absent at least two days in the week, and sometimes more, to the great neglect of his official duties. During his absence, it has been the custom for a deputy collector to issue hospital-permits in cases of necessity, although there is no law or regulation which authorizes him so to do. It was also in evidence that sailors have been known to lie for hours in the custom-house grounds, until taken into the building from compassion, and when it is considered that these poor men have paid for their right to be received in hospital, the abuse seemed to the commission to demand instant remedy. It was also found that his duty of visiting the men in hospital was not carried out as, in the opinion of the commission, it should have been.

These facts and others in the same line of investigation were abundantly sustained by testimony, and the evidence in full is attached and made a part of this report.

The commission wish it understood that no charge is made against Dr. Muhlenberg on the score of his medical skill and reputation. They recommend and strongly urge that the physician in charge should actually reside in the city of Philadelphia, and that his attendance should be required at his office daily for fixed hours, which should be from nine to four o'clock, unless called away to the hospitals on necessary duty connected with his post.

Third. The next point of inquiry was, "whether any of the officers now employed have been or are engaged in any other business, and whether they reside at points so remote from Philadelphia as to cause them to be absent from their official business to the injury of the service, or whether from any other cause they have failed to give the time and attention to their business which the law and the regulations demand."

1. We find that certain of the officers have been and are engaged in some other business, as follows :

John A. Hiestand, naval officer, has been since his appointment, (May 1, 1871,) editor and proprietor of weekly and daily newspapers published at Lancaster, Pa., under the title successively of *The Lancaster Examiner and Herald*, and the *Lancaster Examiner and Express*.

E. O. Goodrich, surveyor, has been since his appointment, (April 3, 1869,) and is proprietor of the *Bradford Reporter*, a weekly newspaper published at Towanda, Bradford County, Pennsylvania, but states that though his name has appeared in issues of the paper as editor, he has not since his appointment performed editorial duty, and has had no interest in it except as lessor.

E. B. Moore, local appraiser, has been since his appointment, (February 1, 1870,) and is proprietor and editor of the *American Republican*, formerly a weekly but now a semi-weekly newspaper, published at West Chester, Chester County, Pennsylvania.

William J. Pollock, general appraiser, has been since his appointment and is engaged in the clothing business, both in the cities of Philadelphia and New York.

George O. M. Eicholtz, examiner, has been since his appointment proprietor of a drug-store at Downingtown, Pa. Mr. Eicholtz states that he does not carry on the business himself, and that he is trying to dispose of the store.

John B. Bouvier, captain of the night-watch, carries on the business of a butcher in Philadelphia.

Daniel B. Beitler, day-inspector, keeps a hotel in Philadelphia.

It was charged that some others of the inspectors' force were in private business, but this was denied by them.

It is possible, of course, for an officer to have a pecuniary interest in some private business, and even to be, in some sense, engaged in it, without giving to it any personal attention, or at least without permitting it to interfere in any way with his public duty. It would be hard, and perhaps absurd, to draw the line too closely in this respect; yet, when we find four of the five chief officers at the port with business connections, and three of them more or less engaged in regular business, the importance of some regulation of this matter is apparent.

It cannot be doubted that an officer has no right to take at will the time set apart for public duty for his own purposes. Whether he should be permitted to engage in any fixed occupation at other times is not so clear, and would depend a great deal on the facts of the case. As a rule it would not seem advisable, since his attention to private

business might affect his efficiency as an officer; and whether it did or not, in a particular case, would be somewhat difficult to determine.

On the other hand, there are certain kinds of service for which, as things now stand, the compensation is not sufficient, and the tenure too uncertain, to warrant the sacrifice, by a man of suitable capacity, of all his personal business connections, in order to enter the public service; but in such cases there should be some definite understanding and arrangement of the matter by competent authority. Under a properly-organized system, however, the necessity for this would rarely, if ever, occur.

In the case of the naval officer it is undeniable that he has given the greatest part of the public time to his private business, and it is but fair to give his own statement of the case :

I came here when I was first appointed, expecting to find enough employment to engage my time, but I soon found out that I was appointed to an office and given a deputy to perform the duties of the office, and that there was really very little that needed my personal presence all the time. I was here pretty much all the time for several months, and was continually told by the older clerks of the office that there was really no occasion for my remaining here permanently, and I might as well do as my predecessors had done.

He further says that for about four years he intended to give his presence to the office for two days in each week, but after that he came only about one day in the week. He frankly gives it as his opinion, also, that a salary of \$3,000 would be a sufficient compensation for the discharge of the duties of this office.

2. The naval officer and Dr. Muhlenberg reside at Lancaster, 69 miles from Philadelphia, a point too remote to enable them to attend regularly and punctually to their official business, and the fact of their absence, to the injury of the service, has already been reported. The surveyor, while retaining his legal residence at Towanda, whence he was appointed, has, in fact, resided in Philadelphia, when not prevented by sickness from attending to his duty.

The collector, local appraiser, and some of the subordinates, reside at points not more than about 30 miles distant, and are able to attend, and do attend, with regularity to their official business.

By law, the collector, naval officer, surveyor, appraiser, and assistant appraisers are required to reside at the port of Philadelphia, and though in some of the cases above mentioned the non-resident officers appear to have been able to give proper attention to their ordinary duties, we are admonished by recent events of the possibility of some sudden emergency or unexpected peril, by fire or otherwise, affecting the interests and property of the Government, when the absence from the city of nearly all the chief revenue-officers might be embarrassing and even disastrous.

It cannot have escaped attention that the four chief officers of the port were, without exception, non-residents when appointed. Without giving too much weight to considerations of locality, or intending any reflection on the character or capacity of these gentlemen, we think that in general it is advisable to have some representation of the locality in offices of such importance to its residents.

3. As respects the inquiry, whether any of the officers have failed to give the required time and attention to their business, we recur to the charge made against the appraiser of inattention to duty. That officer admits that from the time of his appointment until the early part of last year, when the centennial business began, he was absent one day in each week attending to his newspaper, which was, during that time,

issued weekly. He gives as a reason for this that when he first took the office there was a general understanding with those who desired him to take it that the business was of such a character that he could remain absent one day in the week, and further states that the fact that he was accustomed to do so was known to the Department.

If the President or Secretary may lawfully make or recognize such an arrangement, and have done so in this instance, we must assume that it was considered as necessary for the best interests of the revenue service, and the officer cannot be charged with inattention to duty if he has given all the time to it which he lawfully agreed to give. If, however, they were not parties to any such arrangement, the excuse fails, and it does not help the case for the officer to say that the public business never suffered by his absence, for of that the person interested should not be the judge.

The appraiser's statement further shows that, since the business of the Centennial Exhibition commenced, he has not even taken the time of leave to which he has been entitled, and as no complaints have been made by merchants of delay or want of attention, and the charge is general in terms and is absolutely denied and is not sustained by other witnesses, we consider it (with the reservation above mentioned) as unproven.

Fourth. We have inquired, as directed, into the system of business in the appraiser's department, and specially in regard to the mode of appointments, the examination of goods, the matter and manner of sampling, and disposition made of the samples.

This department includes one local appraiser, at \$3,000; two assistants, (at \$2,500 each,) \$5,000; five examiners, (\$1,700 each,) \$8,500; one drug-examiner, \$1,000; five clerks, \$6,600; seven packers, (\$900 each,) \$6,300; four laborers, watchman, and messenger, \$4,400. Total, \$34,800.

We examined nearly the whole force, and especially the appraiser, assistants, and examiners, and report as follows:

The present appraiser was appointed February 1, 1870, and states that he found the department, as to its records and general organization, in a very bad condition, which he has sought to remedy, and, as we should think from his statement, (which we herewith transmit, as to details,) with a good degree of success. Of the assistant appraisers and examiners, he has himself appointed four, namely: one assistant appraiser, promoted in December, 1875, from the position of examiner, which he had held for more than eight years previously; one examiner, promoted in 1873 from the clerical force; one taken in the same year from the inspectors; and one transferred in September, 1876, who had served since February of that year at the centennial,

The other assistant appraiser and two examiners were appointed in 1869, and have been continued in office ever since. They were appointed by the Secretary, and on recommendation of merchants of the port.

The appraiser states that, as to this part of his force, he has never allowed political considerations or influence to intervene; that his own appointments have been made from personal knowledge of the character and capacity of the appointee; and that, in laboring to perfect the organization of his force by the removal of an incompetent assistant, he was for years thwarted and resisted by the Department in Washington.

As to the rest of the force, he says two clerks and a packer were personal appointments, as above described. The others were appointed on

recommendation of the several members of Congress and other persons mentioned in his schedule of the force, herewith transmitted.

The manner of intervention or connection of such persons with appointments he describes substantially as follows: In case of a vacancy belonging to a particular Congressman's district, the matter would be referred to him to nominate somebody. This has been the rule, and the member of Congress would feel it an offense if he was not allowed to fill the vacancy. As a matter of courtesy between members of the same party this right would be extended, unless by reason of particular pressure from some other quarter.

The law is as follows, (section 2545 Revised Statutes :)

The clerks and other persons employed in the appraiser's office at the port of Philadelphia shall be appointed by the principal appraiser, and their number and compensation shall be fixed by the Secretary of the Treasury.

The method of appointment of those characterized by the appraiser as his personal nominations seems to us correct in principle and in conformity with the law. As to the others, we get the impression from his statement that certain persons, chiefly members of Congress, consider that by virtue of their position they have a right to control the disposition of some appointments in his force, and that he permits himself to be virtually dictated to in this respect. The spirit of the law, which imposes on him a certain obligation and high official trust in this matter, is violated by all concerned when he delegates or another assumes to exercise any portion of this trust, even under the transparent disguise of a recommendation.

We further specially investigated the mode of examination of goods practiced at this port, by taking the testimony of the several assistants and examiners thereon, and are not satisfied that it is conducted with that method and thoroughness, in some branches, which the law and regulations seem to require.

Article 409 of the regulations is as follows:

A thorough examination must then be made, under the direction of the appraisers, in connection with the specifications and descriptions in the invoice, to ascertain whether the merchandise corresponds in quantity and description with the invoice, and whether the value declared on the entry corresponds with the requirements of law.

We concede at the outside that to examine the number of packages of merchandise daily passing through the department, as thoroughly as is contemplated by this regulation, would require a considerably greater force than the present. In practice, a great deal is, and perhaps has to be, taken for granted without examination. It would not be practicable to unroll and measure every piece of dry goods, nor to unpack and count every article in a case of fancy goods or a crate of earthenware, without such delay and injury, perhaps, to the goods as would be a serious detriment to merchants; but the examination, so far as it goes, ought to conform to the requirements of law.

In the dry-goods line, for example, which we chiefly observed, the examination-packages averaged nearly six hundred per month for the first three months of the present year.

To dispose of this work, there are nominally two examiners, but one has not been a year on the force, and he testified that he passes sometimes as high as twenty-five cases of goods in a day.

We found that almost all their attention was given to the questions of classification and value, and that substantially they never examine as to correspondence in quantity and description with the invoice, ex-

cept in case, as they say, of some suspicion, for which it would seem they very seldom found cause.

So much of their examination as we witnessed seemed to be superficial, but we do not know that it is so generally.

It is quite likely they have more to do than can be properly done with the dispatch that merchants desire, for such importations have greatly increased at the port since the establishment of the American Steamship Line, and will probably increase further. In that case it is time that provision for assistance was made, for it takes several years of service, even for one acquainted with the business, to make a good examiner.

We did not examine the other branches so fully, but the same impression of hasty and lax examination, perhaps from the same causes, was generally received. This pressure is due in part, perhaps, to the fact that the examiner of miscellaneous goods has long been in very bad health, and was absent, from that cause, more than six weeks during our examination, throwing, of course, an extra burden on some of the other four.

As in the six months ending with March, 1877, there was an average of nine hundred examination-packages per month of miscellaneous goods, the effect of such absences may be imagined. This injustice, we think, should not be prolonged, and room should be made for an effective man.

We think, also, that an additional examiner should be provided for sugar and molasses, wines, &c., to relieve one of the assistants who has now to attend to that work in addition to the duties of his position.

Two of the seven packers are detailed as samplers, leaving one regular packer for each examiner. The appraiser thinks there should be two more packers, and if the examiners are increased, that would seem advisable. He thinks there should be one or two laborers in addition, and if the \$1,200 clerk is dispensed with, we think one laborer might be added to that force. Without further details in this connection, we submit the appraiser's statement and the statistics therein contained on this subject—of proposed increase in this part of his force—as worthy of consideration.

The appraiser further suggests that a regular examiner be appointed in the place of the special drug-examiner, to perform the duties of the latter and the ordinary duty of an examiner in addition.

The position of drug-examiner ought properly to be filled by a practical chemist, and if a competent one could be found to take the place on the salary and terms proposed, it would be well; but it is questionable if such an arrangement can be made.

There is no public laboratory or other provision for making the tests required, and the examination in this branch, under the circumstances, is of necessity cursory and imperfect.

The statistics show a very large importation of drugs at this port, and we submit, in this connection, a statement of Dr. Lamb, as to the needs of his branch of the service, as worthy of attention.

The appraiser complains of the inadequacy of his salary, and on comparing his duties and responsibility with that of either the naval officer or surveyor, there seems to be no reason why his services, if he is competent and satisfactorily performs his duty, should be rated any lower than theirs.

In his conduct of the office we find much to commend and some things to criticise. The latter, we are happy to say, are mostly matters of the past, which have been rectified.

Among these is the matter of sampling and the disposition made of the samples, referred to in the instructions. On this subject we took the testimony of a number of witnesses, but as the irregularities which formerly existed in this respect have ceased, and cannot under the present regulations be revived, we shall refer very briefly to them.

There was no charge of impropriety in this respect, except in connection with sugar, molasses, and wines and liquors, and the substance of the matter is, that in consequence of the apparent indifference of importers to the possession of the samples taken, and their neglect to claim them, there used to be an accumulation of such things in the department which the appraiser injudiciously, as he admits, permitted the subordinates to appropriate. The samplers were permitted to take out the molasses so collected from time to time, and sell it for their own account. The sugar was distributed in packages to those employés who desired it, and bottles of ordinary wines and liquors were given out in the same way.

That this should lead in course of time to the samplers taking more for examination than was requisite, was to be expected, and the evidence tends to show that in the matter of molasses more particularly this was the case. The details are unnecessary, as the merchants made no complaint before us of loss, and no one, we believe, now seeks to defend the practice of permitting the employés to appropriate such articles.

The prevalence of such an abuse coming to the knowledge of the collector soon after his appointment, he took vigorous measures to have it suppressed, which resulted in the discharge of three samplers and the promulgation of strict regulations in the matter, a copy of which is herewith transmitted, and which appear to have been effectual.

For his successful efforts to accomplish this reform the collector deserves hearty commendation.

The impropriety and evil tendency of the practice is so manifest that we cannot but regard it as indicative of lax administration; and we cannot accept as sufficient the plea of the appraiser that he was not informed of the existence of the alleged abuses. As head of the department it was his duty to know what was going on, and to diligently seek, rather than to wait for, information as to the acts of his subordinates.

The samples of wines and liquors not distributed as above stated, were, it seems, "consumed on the premises." The sample-room was, more or less, a place of resort for refreshment by officials and their friends, including, as is said, special agents and others from Washington. There were various statements as to the extent to which this was carried; but, as we recognize no degrees in such an abuse, we are glad to report that it was altogether stopped by the collector's action above stated, and we have heard of no cause for complaint in that respect since.

Carelessness of employés, in connection with the custody and use of this room, we were told, once resulted in a fire within it, and that an investigating commission reported it as having arisen from another than the real cause. There seems to be no doubt as to the occurrence of the fire; but, as to the rest, we made no investigation, and we only mention it as tending to vindicate, if true, the wisdom and necessity of the collector's action.

We also examined into the present mode of sampling and disposition of samples.

There are two samplers who do their work on the wharves, usually under the immediate supervision of one of the assistant appraisers, who also acts as examiner of sugar, and molasses, and wines, &c. We took

his testimony and that of the samplers in detail, and are satisfied, from their statements, that the sampling is carefully done, and in accordance with the regulations, and that no more is taken than is requisite for proper examination. We annex, for illustration, the number and weight of samples drawn from each of 20 marks of a cargo of 811 packages of sugar, which happened to have been recently sampled. As the examiner now goes regularly to the wharf, it is seldom necessary to take samples of molasses. In liquors, no more is taken than enough to test the proof. Wines and cigars are said to be even more lightly sampled than the law would justify.

The samples are carefully preserved for their owners, who now, as a rule, take them away. Whatever is unclaimed is at certain intervals sold and the proceeds covered into the Treasury. This practice is as it should be, and is in all respects satisfactory. The collector is entitled to the credit of introducing it.

The rapid diminution for some years past of the sugar-trade at this port has excited the serious attention of those interested in its general commerce, as well as those engaged in that particular line of business, as was evidenced by the voluntary appearance before the commission of a number of the leading importers and brokers and others, who gave us the benefit of their experience and judgment in accounting for the causes of the decline. We submit the testimony herewith, which, as might perhaps be expected, is conflicting, some attributing it to one cause and some to another.

In the absence of precise information on certain points, which we think might readily be ascertained by the Department, but which we had not the facilities to procure, our conclusions have not the certainty which we could wish, but we nevertheless consider it a matter of duty to present our views briefly.

There was a general agreement of testimony on the part of all examined on this point that at this port the weighing, sampling, and classification of sugar is strict, in favor of the Government, but not so excessive in classification as to warrant appeal. Some thought that *liberality* in these respects at other ports had drawn away the trade; others thought it was merely a result of the operation of the laws which govern commercial transactions; that sugar would naturally be imported where the buyers were most numerous, and trade the most active and on the largest scale.

We reconcile these views by concluding that, according to our best judgment, both causes have combined to produce the change in question, but for lack of requisite data we are unable to determine to what extent the former cause has operated, or the particulars of the procedure. We deem it, however, a matter of such importance as to call for close investigation in the proper directions, and shall be glad to throw what light we can on the inquiry if desired.

We submit, in this connection, tabulated statements showing both the decline in such importations and the condition and revenue procedure of the actual trade for a certain time, which we had prepared for the purpose of this investigation.

This subject is referred to here because it bears directly on the question of the proper organization of the appraiser's department. In no class of products is it more important to have the revenue service honestly and efficiently performed than in respect to sugar and molasses, not only from the magnitude of the trade, but from the peculiar mechanism of the law by which duties are collected and refunded. In this procedure the sampler is the chief figure. If his samples do not cor-

rectly represent the character of the goods, the work of the examiner in classifying them by the standard is a farce. If adroit and corrupt, he can select the inferior packages and produce from them, or from any package, samples of the lowest grade therein contained, and usually without detection, except by resampling, and can thus make a difference of thousands of dollars in duties on a single cargo in a day's work. His compensation at this port is less than \$3 per diem, and his grade is that of a laborer.

We think that the examiner should always attend at the sampling and watch the process, so as to insure correct proceeding, and he should draw some samples himself from each cargo. The security would be greater if these officers belonged to different departments, or if an officer from the collector's department or a special agent went with or followed them. This would not preclude the possibility of a "ring," but would make its existence more difficult. At a large port the sampling officers should be shifted about frequently, and no sampler should ever be allowed to sample continuously for a single concern. This plan may involve some additional expenditure, but we believe it would be found profitable.

These precautions are suggested by the importance of the subject, as of general application, and not with particular reference to the condition of things at this port, at which, so far as we have been able to discover, the business is honestly conducted. It is the part of good administration, however, to make general provision for all contingencies.

To the same end, classifications should be made in all cases on the judgment of three experts, one at least to be an assistant appraiser, and not always the same one, and one, if possible, from another department, any difference of opinion to be referred to the appraiser, and a bulletin of the result in each case, publicly posted, so as to be accessible, showing the name of the vessel, date of importation, number of packages, specifying all the marks and stating the classification of each for information of the trade.

This will tend to prevent not only corrupt practices, but favoritism, of which merchants sometimes have reason to complain and from which they may sometimes suffer without being able to detect the cause. There will be no particular difficulty, we think, as classification does not usually occupy much time, and such time as it requires will be well spent if a correct result is assured.

Under present conditions, the examiners are practically the most important officers in the department. The examination "under the direction of the appraisers" is not construed as requiring personal direction and oversight during the examination. Probably the other duties of an appraiser are such as to preclude him from being present and supervising the examination to any considerable extent. Another reason may be that, with the present system of appointment, he has not the knowledge or experience requisite to qualify him for that duty, in any branch, when he takes the office, and never acquires it, as there are some general duties he can more easily perform. Leaving all details to subordinates becomes the rule, and the assistants are pretty sure to follow the example—so that the examiner practically determines everything, and the assistant and the appraiser merely approve his return without having seen the goods, or having any idea of its correctness outside of the invoice, which, in many cases, they either do not examine or have not sufficient knowledge to interpret. That each examiner should, under these circumstances, be an expert in some line of business, proficient in the general knowledge required for the proper discharge of his duty, of good

judgment, active, intelligent, and of perfect integrity, is of the last importance.

In addition to these qualifications, he needs experience in the general business of examinations, as he will be frequently, if not always, required to examine various classes of articles. A man may know the hardware business well, and ought to know it, to be appointed examiner of that line, but he has many other things to learn before he can be said to be an expert examiner even of such goods. The work is a specialty which has to be acquired as a trade or profession is acquired, and the longer a man has had experience in it, other things being equal, the better officer he should be.

It is safe to say that not less than three years of careful study and close attention to business is requisite to make a tolerably good examiner, and some, not having the requisite qualifications, never become such, however long they may remain in the service.

Common sense would dictate that for a service depending, like this, absolutely on skill and experience, the officers should be appointed, graded, and compensated on the most careful consideration of their qualifications in these particulars.

As a rule, however, at our ports, but little regard is paid in such appointments even to the qualification of having some knowledge of the general line of business to which they are assigned. With other suitable qualifications, however, this may, and to a certain extent must, be acquired, as we have before remarked. The great fault is, that there is no inducement for an appointee to perfect himself in his duties. In fact, there would seem to be nothing better adapted to encourage mediocrity and repress all zeal for improvement than the present system. The grocer or mechanic who may have secured the position of examiner of silks, laces, or fancy goods, starts with the same salary which is given to the expert of twenty years' service, and which at this port is \$1,700—an amount far beyond that which such services can possibly be worth at the beginning, and much less than they are worth from an expert.

This seems to be so palpable a violation of correct business principles as to require a complete re-organization of this branch of the service, and the remedy is plain. It is surprising that the principle of grading clerks according to their capacity and experience in the service, so long in operation in other branches, has not been applied to a branch which, of all others, seems to demand it.

We would suggest, therefore, that examiners be divided into four classes, as follows: The first class to include every examiner now in service or hereafter appointed until he shall have served three years and be appointed to the second class; the second class to include every examiner now in service having served more than three and less than six years, and such as shall be regularly promoted thereto from the first class; the third class to include every examiner now in service having served more than six and less than nine years, and such as shall be regularly promoted thereto from the second class; the fourth class to include every examiner now in service having served more than nine years, and such as shall be regularly promoted thereto from the third class; provided that the competency of those now in service to fill the grades to which they would be entitled by length of service be determined by careful examination; and that promotion from one grade to another shall not depend on length of service only, but on like careful examination in addition. For this port the following scale of compensation seems to us reasonable: For the first class, \$1,200; second class, \$1,600; third class, \$2,000; fourth class, \$2,500.

Assistant appraisers should have \$3,000, and be invariably appointed by promotion from the fourth-class examiners. The duties of these officers are quite as important as those exercised in general by deputy collectors, and they should be as well paid.

If there be one appraiser, as at present, competent for the place, and giving his entire time and attention to its duties, his salary should be \$5,000. If there should be two, as the law provides, it might be less. Whenever such a system shall have been in operation so as to produce assistants, who have worked up through the various grades, and whose skill and training would be thus guaranteed, the appraisers should be selected by promotion from them. All of these officers should, of course, be irremovable except for good cause, and might, in case of special ability, be rewarded with extra compensation.

To provide suitable material for examiners, it would be well to have a certain number of appointments of assistant examiners at a salary of \$1,000—to be young, energetic, and intelligent, and to be employed to assist in the operations now performed by openers and packers, and to work with and under direction of the examiners—the preference to be given to these in appointment of examiners on due proof of their qualifications. There should be at least three of these appointed to meet the pressing needs of this branch for more help in consequence of the rapid increase of business.

The law which requires examination to be under the direction of the appraiser should be enforced. The appraiser should be required to give some degree of personal supervision to the work daily. Either he or one of the assistants should be among the examiners regularly, and taking part frequently in the examinations. As this is their most important duty, they should be relieved of other duties, if any, that may prevent the performance of this.

It seems that the written opinion of the appraiser is required very often on questions of general importance to the service, and that a great deal of his time is taken up with reports and correspondence on such matters, which he has to investigate. If this is necessary, we think, as the law provides for two appraisers at the port, another should be appointed, so that the regular duties of the office should be performed by one or the other, as contemplated by law.

We have made these suggestions because we believe that some such changes are needed to secure proper efficiency in what we regard as the most important branch of the service, and not to reflect on the present management here, the faults of which, as we have shown, are largely caused by the inherent defects of the prevailing system; and our illustrations are doubtless even more applicable to the condition of things at other ports than at this, if reports thereof be correct.

The appraiser strongly insists that he has striven at all times to perfect the organization of his department, and has had neither encouragement nor assistance, but the reverse. We submit the statement of his trials in this connection for consideration.

The system of assessing allowance for damage on the voyage of importation by a board consisting of the assistant appraisers and examiner of the goods, as described by the appraiser, seems to be well devised, and, so far as we could learn, well carried out, as it was testified that the matter was not left to the examiner, but each assistant thoroughly investigated it for himself, and there were no charges of impropriety in its conduct.

We would suggest, in addition, as in the matter of classifications before mentioned, that a bulletin be publicly posted in the department of

the result in each case, signed by the officers, and giving all the material facts.

We consider publicity, in matters of this kind, a great safeguard, as fraud would not easily be perpetrated if the facts of each transaction were made known to those interested in the honest conduct of such business; and we think the principle might be extended very generally in revenue affairs with advantage to all concerned.

It has been, in various ways, forced upon our attention that the personal relations of the appraiser and collector are decidedly unpleasant. The former, in his statement, has set forth some grounds of complaint, and the latter has testified as to the matters wherein he has differed from Mr. Moore. Each one seems to think that their personal disagreement is rather beneficial than otherwise to the service, but we are unable to concur in that opinion. On the contrary, we regard harmony between officers holding positions so responsible, and so intimately related, to be of such importance to the proper administration of their duties as to make a continuance of the present condition of things exceedingly undesirable.

Fifth. As to the inquiry how appointments have been made, and whether on political influence without due regard to efficiency, we answer as follows:

The heads of departments have in some cases appointed persons of their own selection, but more commonly their nominees have been selected by others, and most frequently by members of Congress and other prominent politicians of the dominant party.

It seems to have been customary for members of Congress, particularly, to claim the nomination in such cases, as a sort of official privilege or perquisite, and we think that there can be no doubt that practically they do control and make a majority of the appointments, though the forms of the law are of course observed. The heads of departments certainly seem to so understand it, as a sort of record is kept in which certain appointments are set off to the account of certain persons.

The present collector, who has been in office about a year, and who has within that time made a number of appointments, states that they have been chiefly of his own selection, but that in some cases the claims of politicians have been regarded. He insists, however, that due regard to efficiency has always been preserved. The other heads also claim this in their own cases.

We are not satisfied, however, that any suitable examination into the character and qualifications of political selections has been made before appointment, but believe that they have in general been taken to be as stated by the claimants, and that the facts are thus left to be developed by experience after the appointment, in consequence of which changes have sometimes to be made.

We have stated in connection with the appraiser's department our objection to this system, by which the head of a department nominally, but some other person practically, makes the appointment, and, that we may not be misunderstood, will add here that we fully recognize the right of every citizen to present his own claims or those of another for office in any way provided by or not contrary to law, and we agree that it is both natural and reasonable that the views and claims of citizens eminent by position and character should be regarded with most respectful consideration, in so far as they tend to aid the appointer to fulfill his duty.

That duty, under the law, as applicable to heads of departments, is for each to select and nominate himself, according to his own best judg-

ment, a fit person for the place, and this trust it is not lawful for him to delegate to another. The attempt by any person to usurp this function, directly or indirectly, is an abuse which ought not to be tolerated.

It matters not that some or many good appointments are so dictated. It may be that the appointing power would be more efficiently exercised in other hands than those to which the law has confided it. If so, a change should be made in the law; but, until that is done, the power to appoint should be exercised by those in whom it is vested with the fullest aid and counsel of those competent to give it, but without unlawful pressure; and any betrayal of this trust should result in the dismissal of the offender from the service.

Sixth. By the sixth instruction, we were directed to inquire whether any goods, which by law are liable to duty, have been permitted to be landed and delivered without proper permit and payment of duty; and, if so, to report the names of the parties concerned in such violations of law.

On examination of this question we find that at various times the above-mentioned offense has been committed under the following circumstances:

Deputy Surveyor Charles Redheffer, while superintending the discharge of steamships from foreign ports, has authorized cases of wines and spirituous and fermented liquors to be landed without permit and payment of duty.

Deputy Surveyor Hiram P. Goodrich has done likewise.

The articles so landed were sometimes for the benefit of some officer or agent of the steamship company, and sometimes for the benefit of the said and other revenue officers and their friends, being usually obtained as gifts or gratuities from the officers or agents of the companies.

The said deputies, together with the surveyor, E. O. Goodrich, have each received some of the articles so landed, knowing, or having reason to know, that the same had been landed without permit and payment of duty. The naval officer has received articles so landed on one or two occasions, but states that he did not know from whom they came, nor of their unlawful importation.

It appears that these matters were investigated in January, 1876, by special agents, and a report made thereon at the time to the Department, accompanied by numerous affidavits of inspectors and others, implicating the said officers of the surveyor's department, but no action was taken thereon, so far as we are informed.

As these transactions were clearly within the letter of our instructions, we examined the surveyor and his two deputies as to the matters charged in the said affidavits, and, although they each denied that these violations of law had been as frequent as represented therein, each one admitted his knowledge thereof to a greater or less extent, and his participation in some instances therein by passing or receiving the goods, or both.

Some of the inspectors making the said affidavits are still in service, but as the substance of their charges was not denied, and they in general admitted their knowledge of or participation in the same or like offenses, and the Department is in possession of their statements, it was not deemed necessary to go over the same ground with all of them.

We made particular examination, however, to ascertain whether any such offenses have been committed by any persons in the surveyor's department since the said investigation, but there was no evidence of anything of the kind, and we are inclined to believe that so far, at

least, as the chief officers and subordinates examined are concerned, the law is now strictly observed.

It is proper to add that whatever was done in the matters referred to, seems to have been done openly and without any corrupt intention, and the transactions and amount of duty involved were comparatively small, but we do not admit this as an excuse. The delusion is too common that officials may dispense with legal requirements in what they choose to consider trifling matters of benefit to themselves or their friends. This has led to some of the greatest abuses in the service, and some idea of the extent to which the practice has been carried at this port may be obtained from the testimony.

The smuggling in former times from national vessels, which is alleged, shows how widespread has been the official demoralization, and if it be true that the head of a department interfered, as is intimated, to prevent the execution of the law, it is not to be wondered at that subordinates should become loose in principle.

What seemed to us to be violations of law, of the kind described in this instruction, have been of common occurrence in connection with the delivery of packages from what is known as the sample-room in the public store.

It appears to have long been the custom at this, and perhaps at other ports, for the officer in charge of a steamer or other vessel arriving from a foreign port to send all packages on the parcel-list of the manifest to the storekeeper, acting presumably under authority of the provision relating to samples, but without regard, as it would seem, to the actual nature of the contents—a practice which the law, as we understand it, does not authorize, but which has arisen, doubtless, from the fact that the steamer-manifests, as we found, do not usually contain any description of the contents of the parcels entered thereon.

The law seems to require such description in all cases, but it is represented to us that it would be very difficult, if not impossible, for the carriers, in many cases, to obtain anything of the kind from the shippers, on account of the manner in which small parcels are frequently received, to be forwarded, and that a rigid enforcement of the law would practically stop the business.

It may be that the law, passed long before intercommunication has, by modern improvements, been made so rapid and extensive, is inadequate to meet the convenience or necessities of traffic at the present day; and, if so, it should be changed, for nothing is so demoralizing as the ignoring of law and regulations, which is so common in practice, however reasonable the pretext may seem to be.

The irregularity in this matter, however, which seems to us most serious, is in the proceedings subsequent to landing and delivery to the storekeeper.

The practice has been to keep these parcels in a room called the sample-room, where an examiner, detailed for the purpose, examines them; and, the manner of this examination would seem, in some cases at least, to have been very superficial. The packages are all entered on the record of samples kept by the storekeeper as if samples, although the majority of them, perhaps, are not such; and until after the beginning of this investigation the only record or return made of the examination by or under direction of the appraiser, was an entry by the examiner in the storekeeper's book against the parcel, of "dutiable" or "not dutiable," without any statement of the nature of contents, value, classification, or other information. Now the nature of the contents is added.

We procured from the storekeeper, and submit herewith, a list of one hundred and forty-six packages of articles which the examiner had entered on his record as "dutiable," and which he had delivered within the last four years on the order of the several deputies or acting deputies named in the list, which order we found to be worded, generally, as follows:

CUSTOM-HOUSE, PHILADELPHIA,
Collector's Office, ———, 1875.

DEAR SIR: You will please deliver to ——— one package marked ——— imported by the steamship ———, from Liverpool, which is now in your stores.

Very truly,

—————,
Deputy Collector.

Though returned (if the said entry by the examiner can be called a return) as dutiable, we could find no record in the naval office of payment of any duties in some of these cases which we took for example, and we requested the collector to search the records of his office for information on that subject.

We transmit herewith the return of the collector, being a report to him of Acting Deputy Charles Jacobs, from which it appears that no entry was made or required in any of these cases, but that the person signing the delivery-order exercised his own judgment in directing the release of these packages of dutiable goods. In eleven cases the facts are stated, but, as to the remaining one hundred and thirty-five, we are informed that the deputy "has no recollection of his special reasons for granting delivery other than those hereinbefore enumerated, but feels confident that in each instance good and satisfactory reasons were produced at the time the delivery-order was issued."

The reasons enumerated are that the articles were considered to be "of the character of samples of but little or no dutiable value," or as "being of a class of goods *dutiable in their nature*, but of such *insignificant quantity and value* as to render it a palpable hardship upon the importer or recipient to force him to make entry, the costs of which would exceed, in many instances, the value of the goods or the duties assessed thereon."

Assuming the facts, as to these one hundred and thirty-five dutiable packages, to be as above supposed, (though in some cases we had information to the contrary,) it seems clear that the disposition of such matters should not be permitted to rest in the discretion and imperfect recollection of subordinates. We are not aware that the law vests the collector himself with any such discretion, except in cases where the dutiable value of the article does not exceed one dollar; and even then a record of the facts should appear in some form to attest the correctness of his proceeding.

As it is, we are unable, for the want of such record evidence, to say whether our judgment in these cases would accord with that of these deputies, and we are the less satisfied with the explanation tendered, because there was evidence of the prevalence of general looseness in similar matters until quite recently. It has been customary, for instance, to assume the right to dispense with payment of duties in all cases where the amount thereof would not, in their judgment, exceed one dollar, for which we can find no authority, and to pass dutiable articles, such as barrels of sugar, potatoes, &c., free for ship-captains and others, but this practice, upon protest of the deputy naval officer, was stopped by the present collector.

The pretext for this has been doubtless that these were small matters.
H. Ex. 8—7

ters, but we do not understand that a violation of law is excusable in a small any more than in a large transaction.

The extent to which the practice of granting free permits for dutiable articles was formerly carried in the collector's department led (it was testified) to the issuing of the following special order by the naval officer:

OFFICE OF THE NAVAL OFFICER,
Philadelphia, May 21, 1875.

SIR: In accordance with Department instructions, you will refuse to sign any free permits, unless such permits are accompanied with entry, and are entitled to free entry, in accordance with the law and regulations.

Respectfully, yours,

JNO. A. HIESTAND,
Naval Officer.

HENRY PORTER, Esq.,
Deputy Naval Officer.

Of the said one hundred and thirty-five packages, all but four or five were delivered on orders of Deputy George Truman, jr.

It was with reference to the existence of such seemingly irregular practices that we have recommended, under a previous article, that the powers of these subordinates be more closely defined and limited. The storekeeper, in these cases, naturally sheltered himself under the deputy's order, and the collector, in all probability, was never consulted in the matter.

Seventh. We were directed to inquire and report whether practices prejudicial to the revenue or to the efficiency and integrity of the service have been indulged in by any of the customs officers.

We endeavored to give particular attention to this matter, not only from its importance, but also because there has long been a popular impression that such practices have been prevalent in the revenue service at our principal ports.

Nearly every witness was interrogated on this point. Communications from all persons having knowledge of such practices were especially requested, and we called before us every one we could find who appeared to have knowledge or means of information thereon.

With but few exceptions, the witnesses declared they had no knowledge as to the matter of inquiry; but written communications, chiefly anonymous, were received calling attention to particular individuals and subjects of investigation.

These were placed in the hands of the special aid, with directions to make proper inquiry and report to the commission cases which seemed to call for investigation.

Some charges were received which appeared to us to affect those referred to in their private rather than their official relations, and we considered such complaints not to be within the proper scope of our instructions.

A few communications, not received in season for investigation, were referred to the collector for his information and consideration.

In every case of charges which seemed to be of importance the individual implicated was interrogated as to the matter charged, and his denial or explanation required.

So far as facts were elicited tending to prove the charges made, they related chiefly to transactions of more than a year past, and we have already mentioned, under the preceding heads, most of the matters which would otherwise be included in our response to this instruction.

These may be briefly recapitulated as practices of taking the time of the Government for private business; of receiving presents of wines,

ac., from the officers or agents of steamship lines, and permitting such articles to be landed without permit and payment of duty; of drinking in the appraiser's sample-room, and of permitting the appropriation of samples by employés; also the practices of delegating the appointing power and of making appointments, on political grounds, without sufficient assurance of the character and capacity of the appointee; of irregular examination and delivery of packages, not being samples; of granting free permits for dutiable goods; and, finally, the tendency of superior officers to neglect that personal supervision of the work which is their chief duty, and to delegate their personal functions to subordinates, and the tendency of subordinates to abuse such authority.

The details of these points have been sufficiently given, but the last may be further illustrated by the history of a certain seizure of a case of brandy, which led to the investigation of January, 1876.

We found that, not long after the seizure, the storekeeper, on the verbal order, as he says, of a deputy collector, erased the entry of seizure on his record, and that, in May of the present year, the package in question was sent by direction of a deputy collector to general order, where, by the same authority, an appraisement-entry was allowed to be made by a custom house broker as though of a recent importation, and the seized goods delivered on payment of duties, without authority from the Department for any part of the proceedings, so far as we could discover.

We found, in further illustration of this loose, if not culpable, administration, that certain prohibited goods turned over to the storekeeper four years ago were still in his possession, with the exception of a certain portion which, by the clear violation of duty of those concerned, were suffered to pass out of lawful custody.

We found, also, that ever since the adoption of the system of a general pay-roll, signed by the employés, the oath required thereon by law, to which their signatures are annexed, has not been taken by the employés of the regular force in fact, although the form of the roll would lead to the belief that it had been. The practice has been for each employé to sign his name to the roll, and for the deputy collector to sign his name opposite in each case, without administering the oath or even having the parties in his presence. We do not understand that this meets the requirements of the law, and consider the practice exceedingly prejudicial to the integrity of the service.

In this, as in other like matters brought to the attention of the collector, his action was prompt and decisive in rectifying the abuse, and the law, we believe, is now strictly carried out.

The practice of assessing employés for political purposes should, in our opinion, be referred to under this head.

In former times the practice, it is said, was for the tax-gatherer to sit at the entrance of the cashier's department on pay-day, and intercept each employé as he was paid off, and mulct him in two per cent. of his salary, but of late a system of voluntary contribution of a like percentage has been introduced. We were assured that all were cheerful givers, but we had not time to verify this. The only subordinate who volunteered a statement on this subject was an exception.

So long as appointments are made with reference to the political status of the appointee, the tenure of office must be uncertain. It is too much to expect that a party whose members have been excluded from office will not retaliate when it has the power. The knowledge of this compels those who feel that their positions depend on the success of their party to personal exertion and contribution of their means to pro-

mote that end. Their giving may be cheerful, but in general it is the cheerfulness of necessity, and the necessity will exist and be recognized in some form until, by common consent, a system is adopted which shall throw appointments to all offices of mere administration open to a fair and unrestricted competition in which integrity and capacity shall be the only requisites.

If this is unattainable, it is still desirable, of course, to relieve subordinates in office from being forced, by threats or otherwise, to contribute against their will, but that any such pressure has been exercised or permitted in the customs-service here was denied by the heads of departments.

Eighth. We were directed to inquire whether any of the customs-officers have been guilty of receiving bribes or gratuities from importers or others doing business at the custom-house or their agents.

As before stated, the fullest opportunity for charges on this head was given, and we called before us and especially examined on this subject those clerks and employés who, from being brought by their business in contact with importers and their agents, would be most likely to offend in this respect, and we were more particular in this by reason of the failure to properly administer the oath annexed to the pay-roll before mentioned.

It gives us profound satisfaction to state that, in all the charges brought to our attention, no officer at this port was accused of receiving a bribe, and no evidence of such an offense was received from any witness.

With respect to the receipt of gratuities, the affidavits and testimony relating to transactions of the surveyor and others of his force prior to January, 1876, have been already mentioned. The practice appears to have been effectually broken up by the investigation at that time, but great care should be taken that it be not revived, as the temptations to, and opportunities for, the offense are greater perhaps in that department than elsewhere.

So far as the evidence shows, there has been no practice of this kind in the other departments, and nothing perhaps that can be fairly called an instance of its occurrence. If the heads of departments are known to be determined to extinguish it, the moral effect with their subordinates will be of the utmost value, but they must, of course, be free from even the appearance of evil themselves.

In conclusion, it is proper to say that while we have freely criticised, as has been seen, every abuse or tendency thereto, the existence of which we believe to be indicated by the evidence, and also whatever seemed to us objectionable in the character or conduct of individuals, and have indicated the general and particular directions in which we think improvement is needed and should be made, we take pleasure in reporting our conviction that, on the whole, the condition of the service at the present time is reasonably satisfactory; that it is conducted to the general approbation of the business community; that corruption is apparently unknown, and that the irregularities which have prevailed have sprung from loose construction of the law and erroneous views of duty; that the force as to character and capacity is of a very fair average; that the work, with such exceptions as have been noted, is efficiently done; that the service in all branches has been greatly improved within the past year, and that the tendency and tone of its conduct at present is generally healthful and in the right direction.

We desire to express our obligations to the chief officers and members of the force whom we met for the courtesy and willingness with

which arrangements for our accommodation were made and all information that we desired was furnished.

We are indebted to the marshal, clerk, and other Federal officers for similar courtesy in providing accommodations for our use in the post-office building, and for other services.

We return our thanks to those who, either in the different business associations or individually, aided us with suggestions or information, and trust that the interest in the improvement of the revenue laws and service manifested by them will become more general. Reform in any public matter cannot be long delayed when it appears that the people are in earnest for it.

Acknowledgment is due to Mr. Ira Ayer for his efficient service, both as a member of the commission, for a time, and as a special aid to it subsequently.

The city journals were considerate and obliging in publishing such notices and information as the commission desired to make public, and in other ways.

Trusting that no material point has been overlooked in the discharge of this part of the duty assigned, the foregoing report is respectfully submitted.

CHARLES PLATT,
HENRY D. WELSH,
THOMAS SIMONS,
Commission.

Hon. JOHN SHERMAN,
Secretary of the Treasury.

TREASURY DEPARTMENT,
September 11, 1877.

GENTLEMEN: I have received, through the hands of Mr. J. M. March, your report, of the date of the 6th instant, upon the conduct of business at the Philadelphia custom-house, and have read it with great attention and instruction.

Permit me to return the hearty thanks of the Department for the manifest fullness and thoroughness of the examination you have made, and for the great labor you have bestowed in the performance of a duty that was irksome at the best.

Your general suggestions meet my approval, and it will be my effort, after a full and detailed examination of your specific recommendations, to carry into effect, as rapidly as possible, the great body of those that fall within the power of this Department. Where the law needs modifying, it will be my duty to submit the proposed changes to Congress.

I have no doubt the publication of your report, which is ordered, will itself tend greatly to remedy minor abuses pointed out, but their complete correction must depend largely upon the industry, attention, and fidelity of the leading officers, who will see in your report the nature and danger of the abuses that have occurred in the Philadelphia custom-house; and, I assure you, it will be the effort of the Department to hold them strictly to this duty.

I will await with interest your supplemental report.

I am, very respectfully,

JOHN SHERMAN,
Secretary.

Messrs. CHARLES PLATT, HENRY D. WELSH, THOMAS SIMONS,
Commission on Custom-house, Philadelphia, Pa.

REPORT OF THE COMMISSION ON THE NEW ORLEANS CUSTOM-HOUSE, AND INSTRUCTIONS RELATING THERETO.

*Examination into business at New Orleans custom-house.*TREASURY DEPARTMENT,
Washington, May 21, 1877.

SIR: You having entered upon the duties of the office of collector of customs for the port of New Orleans, I desire to have a thorough examination made into the method of business now in vogue, and the efficiency and character of the force employed. The necessity for such examination will be apparent when it is borne in mind that the net receipts at New Orleans last year were about \$1,800,000, and the total expenditures were \$277,000, which is about 15½ per cent. of the amount collected.

For this purpose, you are requested to appoint a commission of three persons to make such examination. Mr. A. M. Barney, special agent of this Department, has recently arrived at your port, and will remain there for some time. He is an experienced officer, and he will be directed to act under your instructions as one of such commission.

You may feel yourself at liberty to call upon any persons whom you may deem most fitted to act as the remaining members of the commission.

The points to which inquiry will be directed are as follows:

First. Whether the force now employed in the customs-service at your port is in excess of the needs of the service. Economy in the collection of the revenue from customs is desired, and the administration of business should be conducted on the closest business principles.

Second. Special attention should be given to the examination of the business qualifications and integrity of character of the force employed; the number of hours they are employed; whether such hours can be properly increased, and whether any of the force are in any manner employed in any other business.

Third. An examination will be made into the system of weighing, gauging, and measuring, and whether any improvement upon the system can be adopted, and whether the persons engaged in such weighing, gauging, and measuring are employed for the whole time for which they are paid, and whether there has been any connection between the Government weighers and city weighers.

Fourth. Inquiry will be directed to the subject of the landing of merchandise and the care and custody thereof prior to its receipt into bonded warehouse, or final payment of duty on goods not bonded. It seems that at some of the other ports it has been found that goods have, in numerous instances, been delivered to the importer upon insufficient payment of duty, and the Government has afterward been put in the position of plaintiff to recover the money due by suit.

Fifth. You will inquire into the system of business as now conducted in the appraiser's department; whether it can be improved in regard to the mode of the appraisement and the examination of goods, and the manner of sampling, special attention being given to the sampling and classification of sugar.

Sixth. Inquiry will be had into the manner in which appointments have been made; whether the system can be improved; and whether

the appointments have been from political influence, without due regard to efficiency.

Seventh. The commission will give careful attention to such complaints as may be presented in regard to the mode of conducting business; the efficiency of the service; and they will be taken into consideration in making report upon the general subject involved.

As bearing upon the subject, I submit a copy of a report made to this Department by Special Agent J. F. Evans, under date of the 12th instant.

He makes recommendations in detail, and specifies the names of officers who, in his opinion, should be retained and those which should be dropped; and also suggests certain modifications in the salaries now paid.

I do not deem it necessary to go over these recommendations in detail, but submit them to you for approval or disapproval.

Your special attention, however, is called to the case of Mr. Fairfax, now holding the position of assistant appraiser. I agree in the opinion expressed by Mr. Evans; and, upon his statement, Mr. Fairfax is not a proper person to hold the position of assistant appraiser. I have caused a letter to be addressed to him informing him that his resignation is requested.

You will please make a separate report upon the matter suggested in the communication of Mr. Evans, and state in detail in how far you concur in his views. This report need not await the action of the commission, but will be made independent of it.

You are authorized to call upon Special Agent Evans to furnish you any additional information upon the subject, and to give his views further in regard to the matter if desired.

Respectfully,

JOHN SHERMAN,
Secretary.

J. E. KING, Esq.,
Collector of Customs, New Orleans, La.

Appointment of a commission to examine the custom-house.

CUSTOM-HOUSE, NEW ORLEANS, LA.,
Collector's Office, June 1, 1877.

SIR: Respectfully referring to your letter of the 21st ultimo, "H. B. J.," relative to the proposed examination into the method of business now in vogue in this custom-house and the efficiency and character of the force employed, I have the honor to report that I have appointed as a commission for such purpose, to co-operate with Special Agent Barney, General L. A. Sheldon and Col. F. H. Hatch, who will organize at once and proceed to the performance of the duty assigned them.

I also have the honor to inclose you a copy of my letter of appointment to the gentlemen named, and to assure you that your instructions will be fully complied with.

Very respectfully, your obedient servant,

JOHN E. KING,
Collector.

The SECRETARY OF THE TREASURY.

Communication of Hon. John E. King, collector, New Orleans, appointing General L. A. Sheldon and Col. F. H. Hatch as members of commission to investigate New Orleans custom-house.

CUSTOM-HOUSE, NEW ORLEANS, LA.,
Collector's Office, May 31, 1877.

GENTLEMEN: I have been instructed by the Secretary of the Treasury to have a thorough examination made into the method of business, and the efficiency and character of the force employed in the office of collector of customs at New Orleans. To accomplish this object, I have been authorized to appoint two persons to act in conjunction with General A. M. Barney, the special agent of the Treasury, now on duty in this department. In the exercise of the authority thus vested in me, I have sought for representative men of conceded capacity and integrity, of irreproachable antecedents, of enlarged and liberal views, who are familiar with the practical operation of the revenue laws, and who would inspire the confidence of the commercial public. Added to this, I think that the two political parties should be represented in the proposed examination, and I am confident that this view will accord with the policy and the wishes of the national administration.

The position of one of you, (General Sheldon,) as an active and distinguished member of the Committee of Commerce when in Congress, gave you an opportunity to familiarize yourself with the business necessities of the Mississippi Valley and of the commercial requirements of New Orleans. The former connection of the other of you (Colonel Hatch) with this department, as collector of customs, your intelligent, faithful, and efficient administration of its affairs, and your acknowledged character for integrity, eminently fit you to subserve the interests of the country and the wishes of the President as a member of the proposed commission. I have therefore selected you as the two members who, with General Barney, are to compose the examining committee.

It will be your duty to make a thorough examination of this office in its various departments; to suggest any improvements that you may deem necessary in the manner of conducting its business; to ascertain whether there are any existing abuses or irregularities, and, if any exist, to indicate the manner in which they may be corrected; to look into the practicability of diminishing the force now employed, and of reducing the pay in any cases where it may appear to be excessive; and, generally, to make any suggestions tending to the improvement of the civil service, in accordance with the policy of the administration at Washington.

In the prosecution of your investigation, I think it will not be unwise to seek for information outside of the officers and employes of the custom-house, and to consult the business men of this city, and more especially the merchants, whose intelligence and sagacity have enabled them to study advantageously the practical relations of this office to the commerce of the country.

To aid you in the discharge of your responsible duty, you will be supplied with the written detailed instructions from the Treasury Department, and with such information as may be derived from the officers and employes under my control.

It is needless to add, that I shall be pleased to confer with you freely and frequently during the progress of the thorough examination you are expected to make.

Hoping that you will find it convenient to accept the responsible trust which I have felt it my duty to repose in you, I remain, very respectfully, your obedient servant,

JOHN E. KING,
Collector of Customs.

General L. A. SHELDON and Col. F. H. HATCH.

Report of the commission appointed to investigate the New Orleans custom-house.

CUSTOM-HOUSE, New Orleans, June 30, 1877.

SIR: In your letter of the 21st ultimo, you directed the Hon. John E. King, collector of customs of this port, to make a thorough examination of the method of business now in vogue, and the efficiency and character of the force now employed at this port. You also directed A. M. Barney, special agent of the Treasury Department, to act as a member of said commission; and Collector King, pursuant to the authority conferred upon him, completed such commission, as will appear by his letter of the 31st ultimo, hereto appended. [See page 5.]

The commission had some doubt whether their report should be made through the collector or directly to the Secretary of the Treasury, but, on consultation with the collector, it was agreed that the report should be addressed to the Department.

On the 4th instant the commission assembled, chose Special Agent Barney chairman, and immediately entered upon their investigation.

The business of the port of New Orleans in former years was at least one hundred and fifty per cent. greater than at the present time. The cost of collecting the revenues is larger, on the basis of the amount collected, than in many other places, partly because of the numerous approaches which must be guarded, and for the further reason that more than one-half of the merchandise arriving here is for transportation to interior or foreign ports. The revenues on the merchandise transported by way of New Orleans to Saint Louis, Cincinnati, and other home ports, are, of course, collected at the points of destination; but the goods have to be entered, examined, and appraised here, precisely as if intended for home consumption. Making every allowance for these peculiarities of the commerce of the port, the commission are still of opinion, after careful and searching investigation, that the customs-revenues at this port can be collected with a reduction of nearly twenty-five per cent. in the force employed, and a corresponding reduction in the expenditures incurred, with perfect safety to the Government, and without lessening the facilities that should be afforded to the people, whose business supplies the Treasury with its revenues.

The reductions and changes recommended by the commission are set forth in Schedule B, hereto attached. In some instances the commission have recommended increase of salaries. In so doing, they have taken into consideration the responsibilities attached to positions, and the ability and fidelity of persons holding important places. Wise economy, in their opinion, is best secured by allowing liberal compensation to competent and faithful men, especially when grave interests of the people and of the Government are lodged in their hands. It has also been the aim of the commission to equalize, as far as possible, the services rendered and the compensation awarded therefor. In the item of janitors,

they have recommended an increased number, at reduced pay, so that the aggregate cost of this service will not be increased. They make this recommendation because of the enormous area of the custom-house building, and the cheapness at this port of that class of labor, which can be utilized for scrubbing and cleansing purposes, under the direction of a competent chief janitor.

The commission are emphatic in the opinion that the naval office at this port is superfluous and unnecessary. It was only created as a check upon the collector's office. A check more reliable and efficient can be established by directing all necessary and proper vouchers to be forwarded, with the accounts of the collector's office, to the Treasury Department, as is now the practice at other ports doing as much business as the port of New Orleans. The commission learn that, in fact, no error of importance has been detected by the naval office of this port in the accounts and other documents submitted for review for many years past. In the proposed reductions set forth in Schedule B, the commission have not included the entire abolition of the naval office. Section 2653 of the Revised Statutes, however, confers upon the Secretary of the Treasury discretionary power to abolish or suspend this office "whenever he shall think it advantageous to the public service" so to do. Should the honorable Secretary think proper to exercise this power, the expenses of the port would be reduced, over and above the amount set forth in Schedule B, by the further sum of \$10,020 per annum. The commission do not think the abolition of the naval office would necessarily entail an increase of force in the auditor's office.

It does not appear that any person now connected with the custom-house is engaged in any other business, although the commission made thorough inquiry on this point. We find that the persons holding the chief offices are capable, honest, and efficient men; and the force generally is composed of men worthy of their places. There are some exceptions; but the commission deem it proper to leave their removal to the collector.

Previous to the 6th instant, office hours at this port were from 9 a. m. to 3 p. m. We are informed by the collector that on the 1st instant the honorable Secretary of the Treasury addressed a letter to him ordering an extension of the hours of work from 9 o'clock a. m. to 4 o'clock p. m. The commission think this regulation should be enforced, in order that a uniform practice may obtain in all ports in the United States. They have to say, however, that there is rarely, if ever, any business transacted at the custom-house of this city after 3 o'clock p. m. from May 1 to October 1, owing to the falling off of trade every year during the heated term.

The law provides for two appraisers and one assistant appraiser for this port. The commission are of opinion that one appraiser and one assistant appraiser are sufficient. At the present time the appraiser's department is divided into two branches, each appraiser having control of specified classes of goods. We recommend that one of such appraiserships be declared vacant, and that all the business be consolidated under the charge of one appraiser and an assistant. The commission believe that efficiency is secured by a concentration rather than by a diffusion of responsibility.

The practice has been to employ two or more samplers, especially of heavy goods, such as sugars. While they may be faithful, there seems to be an absence of a feeling of responsibility. We recommend that the examiners in the appraiser's department be required to take their own samples, aided by laborers, whenever necessity or facility demands, and that the employment of samplers be altogether dispensed with.

On the sixth point in their instructions, the commission report that in the past a large proportion of the appointments have been made from political considerations only, and such appointments have undoubtedly in many cases been detrimental to the service; but we are of opinion that if the reductions proposed by us be adopted the necessity for the appointment of none but capable men will render the appointment of incompetent persons to positions in the custom-house, for political reasons, almost impossible in the future. While we believe that employés of the Government should have principles and should be permitted to act politically like other citizens, we at the same time endorse the theory that men should be appointed and retained for their integrity and efficiency, and should not be removed merely for an honest expression of opinion.

The commission are informed that at or about the time of their appointment the collector of the port received a letter from the Secretary of the Treasury, inclosing a report from Special Agent Evans, recommending certain changes and reductions in the force employed, with a request to the collector that he should approve or disapprove of that report without waiting for the action of the commission. They are further informed that the collector, delaying action on this report till their investigation was nearly completed, has recently recommended a reduction of the force by the discharge of twenty-nine employés, without consultation with or action by the commission. In this connection it will be observed that the commission have made their recommendations on the basis of the force as it was organized on the 1st of June instant; and in the arrangement of the several exhibits, under Appendix B, the force is classified by assigning each employé to the particular division or office in which his services were rendered, and not, in all cases, as the names appear on the rolls of the collector.

In this preliminary report the commission have not touched upon the system of gauging, weighing, and appraising merchandise prevailing at this port, nor upon the complaints preferred by the mercantile community. They have been assiduously engaged in investigating these and other points referred to in your letter of instructions to Collector King, and propose to take up, in a supplemental report, these and other important questions confided to their investigation. It is possible that further examination may suggest still further reductions in the expenses of the port.

The commission have to acknowledge personal courtesy on the part of Collector King, and a prompt compliance with their requests for information by the collector and his subordinate officers.

We have the honor to remain, very respectfully, your obedient servants,

A. M. BARNEY.
L. A. SHELDON.
F. H. HATCH.

Hon. JOHN SHERMAN,
Secretary of the Treasury, Washington, D. C.

Final report of commission to investigate New Orleans custom-house.

CUSTOM-HOUSE, NEW ORLEANS,
August 4, 1877.

SUB: In their preliminary report of the 30th June, the commission appointed by the Hon. John E. King, collector of customs for this dis-

trict, in compliance with instructions from the honorable Secretary of the Treasury, gave their views in regard to the force actually necessary to perform the labor incident to the business of this port, and its organization. They also stated that, whilst it appeared to them that certain of the employes were not up to the standard of character and efficiency which should be maintained in making appointments to public offices, they would leave such cases to be acted upon by the collector. They are of opinion that further reductions than those recommended are impracticable at this time. In making investigation under Parts 2 to 7, inclusive, of their instructions, the commission called upon the collector to furnish points of record in regard to the past history of the custom-house, and as to absenteeism on the part of the collector and other chief officers, but he has neglected to comply with this request with regard to absenteeism, stating verbally that he did not think it was the design or the desire of the honorable Secretary of the Treasury to enter into inquiry as to these matters, and further that the records of his office did not supply the necessary data. The commission have, therefore, refrained from any such investigation, except so far as pertains to the manner of conducting routine business inaugurated under the late administration and in force at the present writing. Consequently, they are of opinion that, after their final adjournment, many things which would otherwise have been brought to their notice will remain for investigation by the special agent of the Treasury Department assigned to this district.

COMPLAINTS OF MERCHANTS.

Notwithstanding the fact that the commission, by means of advertisements in the daily newspapers of New Orleans, and special communications, addressed by the collector to the Chamber of Commerce and Cotton Exchange, copies of which are hereto appended, advised all of their readiness to hear any complaint or suggestion bearing upon the administration of customs affairs at this port, but few of the leading brokers and merchants presented themselves, and these with evident reluctance. Without being able to give a sufficient cause for it, the commission are satisfied that many would have come before them had it not been for a fear that their facilities for doing business with the custom-house would be curtailed after the adjournment of the commission, if they did so. This state of things has left the commission to their own resources for most of the information they have obtained of irregularities in the transaction of the business of this port.

DRAYAGE AND WAREHOUSE SYSTEM.

Prominent among complaints made by merchants was a generally-expressed dissatisfaction with the system of drayage existing prior to the 1st of June, 1877. They say it has been too expensive, that partiality has been shown, and that the draymen designated by the officials have not been sufficiently prompt and accommodating. On investigation, we find these complaints to be well founded. The evidence adduced from the records of the custom-house satisfies us, whilst there is no legal proof of conspiracy to defraud, that the public cartage system was made use of by persons in power at this port to extort from the Government several thousand dollars *per annum*, which, while it appeared to go into the hands of the nominal contractors, eventually reached these officers or their friends. The records of the public store show that the cost of public drayage for the year 1876 was 42½ cents per package, and for the

year 1877, to June 1, it was 36 cents per package. Since the 1st of June, the expense of carting has been reduced to 18 cents per package. Merchants testified before the commission that the cost of drayage to them, in their ordinary business, was from 6 to 11 cents per package. In consequence of the foregoing facts, we recommend the revocation of the present appointment of public drayman, which was made in accordance with instructions contained in Department letters of February 5 and February 23, 1877, copies of which are hereto appended, and that the contract be awarded to the lowest bidder, in conformity to the provisions of the act of June 22, 1874, at a rate not to exceed 12 cents per package. The commission further recommend, in the case of sample packages, that the consignee be required to pay the sum of 25 cents on each package consigned to him, to cover the expense of drayage and handling.

It is in evidence before the commission that, at one time during the former administration, the general-order business was controlled by one warehouse—warehouse No. 6—and that one of the furthest removed from the steamship landings, until the proprietors of the other warehouses, Nos. 1 and 11, had closed up their business and leased their stores to the parties interested in No. 6; then the general-order business was divided between the three. The practice of ordering all goods to No. 6 had the double effect of consolidating the storage in one person's hands, and giving the public drayman the highest rate for carrying. Warehouses Nos. 1 and 11 have since been closed, and the general-order business is now nearly equally divided between the only two warehouses now in existence.

The commission are of opinion that, by making use of the basement and upper story of the custom-house for warehouse purposes, the spaces now vacant might be made a source of saving, if not of profit, to the Government; but before this can be done, further repairs are needed. The use of the custom-house as a general-order warehouse would be a convenience to merchants, it being readily accessible from their stores and from all wharves where ships land.

Merchants complain that on the arrival of a vessel from a foreign port, a general order is issued for the landing of her cargo, and as it is impossible for them, in many instances, to prepare and have their entries passed on the first day, their goods are sent to general-order store thus entailing burdensome charges for drayage, handling, and storage. As, however, the city authorities have thus far refused permission to steamship lines to erect covered and inclosed docks on which to discharge their cargoes, and in view of the fact that importers accept a bill of lading providing for immediate delivery, the commission do not feel inclined to recommend any change in the practice, leaving it to the importers to apply to their city rulers in their own behalf for the necessary relief.

The commission have been unable to ascertain if the warehouse system is conducted irregularly in any respect other than those heretofore mentioned.

IMPORTATIONS TO MEXICO.

Messrs. C. A. Whitney and others represent that merchandise arriving at this port from foreign countries, and destined for Mexican ports, is unnecessarily detained, as it is taken through a process of appraisement, instead of being permitted to go forward, in bond, without appraisement. This delay, they assert, prevents American importers from successfully competing with foreigners engaged in trade

with Mexico. The commission cannot see how the business can be done otherwise in conformity with law, unless Brownsville, Tex., be placed on the same footing as the other ports mentioned in section 2997, Revised Statutes. This would require legislation. In their opinion, a change in the law in this respect would greatly facilitate trade with Mexico from this point; and they do not see how the interests of the Government could be jeopardized if the change were made.

CONSULAR INVOICES AND CERTIFICATES.

Merchants complain of the exaction from them of a fee for a bond in cases where, from some cause other than a change in destination of merchandise, after the verification of the invoice, the triplicate invoice has not come to hand, as prescribed by paragraph 331, Customs Regulations. They urge that they should not be held responsible for the neglect of the United States consul. A case was brought to the attention of the commission where the vessel, having been eighty days making the voyage from Marseilles, arrived in advance of the triplicate invoices, and every consignee was, in consequence, required to give bond to pay the fee. The commission are impressed with the justice of this complaint, and suggest that the wrong be remedied, either by enforcing a more prompt transmission of invoices by the consuls, or by remitting the fee for the execution of the bond referred to.

It is also a subject of complaint that a recent Treasury regulation requires the exporter of foreign merchandise to give bond to produce the certificate of the foreign revenue officer of the port to which the exportation is made that the duties thereon have been paid, or secured, to the foreign government. It is claimed that neither the American exporter nor the Government of the United States is able to control the foreign officer; yet that the export bond so given cannot be canceled till this often impossible condition is complied with. We respectfully recommend that this regulation should be modified, so that, in case the foreign officer should refuse to grant such certificate, which, we are informed, has occurred in several instances, the United States consul, or the two American merchants where there is no consul, shall certify to such refusal; and such certificate, together with the certificate of the consignee as to the landing of the merchandise, shall be sufficient for the cancellation of the export bond.

EXCESSIVE SAMPLING.

Some complaint has been made of excessive sampling in the appraiser's store, but the practice, so far as we can learn, appears to have been confined to subordinates. The importers, as a rule, do not seem to have directed the attention of the heads of departments to the abuse, in order that it might be corrected, nor do they appear, with one or two exceptions, to have ever called on the appraiser for the return of their samples, as they had the right to do. Apparently this has not been done because the importers feared they might suffer in their future transactions with the department if they attempted to remedy their grievances. The commission believe that the complaints made are in some cases well founded, but the responsibility cannot be fixed, from the fact that the appraiser's store packages are not sealed after examination, and the losses may have occurred at the warehouse after transfer from the appraiser's store or at the store of the importer. We recommend that hereafter all packages opened by the appraisers be corded and

sealed before being removed from the appraiser's custody, and that the name of the examiner be stenciled on the package. The examiner can then be held responsible for any shortage not noted in the invoice as having occurred prior to the reception of the package by the appraiser.

APPRAISEMENT OF MERCHANDISE.

The commission have observed with surprise that, with rare exceptions, the value as stated in the invoice has been found by the appraiser to be the true value of the goods imported. The exceptions are on invoices of no great value, and where the additions have been made by the importers. Yet it is in evidence before the commission that, especially among the merchants of Continental Europe, great elasticity of conscience prevails with regard to the values placed upon goods exported. It is asserted that in some instances three sets of invoices are given—one representing the actual cash value of the goods; one below cost, for the importer to enter by; and one above cost, for the importer to sell by. It is suggested that the collector's attention be called to the apparent sympathy existing between the appraisers and the importers in this regard.

The commission have to report that unauthorized persons have been and are allowed in the appraiser's rooms when examinations of merchandise are made, in total disregard of article 430 of the Treasury Regulations of 1874.

We have not discovered any irregularity in the manner of doing business in the appraiser's department other than those named, nor have any serious complaints been made by merchants relative to the administration of that office, which is not surprising under the condition of things represented above.

CLASSIFICATION OF SUGAR.

The system of sampling and classifying sugars at this port we believe to be correct; but it is represented by the appraiser having charge of this branch that the standard Dutch samples supplied by the Department are not suitable for the proper classification of the West Indian sugars received at this port, being too gray in color to admit of a fair comparison. It is suggested that samples be procured through the United States consul at Havana to form the standard for sugars at this port.

WEIGHING AND GAUGING.

In the weigher's department the commission have found no cause for complaint. The force was in excess of what was necessary, and the commission recommend some change in its organization in their preliminary report. The records of the weigher's office are well kept; the instruments are in good order, and that the returns made are correct is judged from the fact that Government weigher's returns are made the basis of both sales and purchases in preference to those of city or private weighers. We have failed to find an instance in which any member of the force has received payment for labor not actually performed, or any indication of collusion with the city weighers. In fact, the commission find much to commend in the general management of this branch of the public service at this port.

In the gauger's department the incompetency of that officer was so apparent that the only remedy which suggested itself was applied, and his name was submitted to the collector for removal.

ENTRY OF MERCHANDISE.

The commission have been careful to ascertain whether merchandise has been permitted to pass into consumption without the payment of the proper duty or before the Government was fully secured for any duties which might be found to be due. We found the administration of the departments of "entry of merchandise" and "bonds" to be, with a few exceptions, excellent. But at the entry desk it has been the custom for the entry clerk (acting deputy collector) to not only estimate the duty on the entry, but to indicate the packages for the appraiser's store, and to give all the instructions necessary for the disposition of the entire cargo. In addition to this, the same officer, who is a notary public, has made nearly all the custom-house powers of attorney executed at this port, (many of them during business hours,) for which a fee, ranging from \$2.50 to \$5 is charged, and has attested all the affidavits of the inspectors to their accounts, and of importers whenever an oath was required, charging therefor a fee of twenty-five cents. The commission are of opinion that this is too much to require or permit from one officer, and recommend that the entry clerk be directed to give his undivided attention to estimating the duties on the entries presented to him, in conformity with the terms of article 350, Customs Regulations, and that in respect to affidavits and powers of attorney, he be required to conform to what is the authorized practice at other ports.

We have ascertained that in the case of one importer of this city, this same officer has been in the habit of ordering the entire importation to the appraiser's store frequently before an entry was made, thus saving the importer the general-order charges, which would ordinarily follow a neglect to have the entry prepared within the time prescribed by law. The officer informs us, however, that this was done by the express direction of the late collector.

The commission have learned that in former years it was the custom at this port to allow entries to remain unliquidated, and the amount of excess or deficit undetermined for a long period after the goods had gone into consumption. We strongly condemn this practice, but understand it has been discontinued.

CASHING OF THE PAY-ROLLS.

We also desire to signify to the honorable Secretary our disapproval of the practice of drawing the funds for the "payments on account of expenses for collecting the revenues" in bulk, and distributing them in currency, from the cashier's office, on memoranda furnished by the auditor. It seems that this plan was authorized by the Department upon representations made that it was a hardship for an employé to go a mile to the United States subtreasury to draw his money, and dangerous, from the supposed lawless character of the inhabitants in the immediate vicinity of the treasury. One or two detailed men have, however, drawn the money regularly in bulk, as above indicated, and brought it safely to the custom-house. These drafts on the subtreasurer have been made as early as the 20th of the month preceding the day of payment—seldom later than the 25th; and, though the testimony before us is to the effect that the money has lain undisturbed in the custom-house safe for eight or ten days every month, it is evident that this irregular mode of paying the employés offers facilities for an improper use of Government money, and should be discontinued.

INSECURITY OF THE CUSTOM-HOUSE BUILDING.

The commission have observed, during their sessions, that the corridors and approaches to the custom-house and post-office are habitually made use of as a loafing-place by idlers and persons having no business with either department. The public records are not even safe from the raids of these worthless persons, as, by means of passages through the building, on the ground floor, from which stairways lead to the upper floors, access may be had to the public offices unseen by the watchmen at the main entrances. According to statements made in the public press, advantage has been taken of this insecurity of the custom-house building—first, to improperly secrete within the building, and, subsequently, to surreptitiously remove important archives of the State of Louisiana. The collector was, and is, undoubtedly, ignorant of the time and manner in which this most reprehensible transaction was effected; but it is evident that some one in or about the building must have had knowledge of the transaction, and may have lent a helping hand. With a view of preventing a recurrence of such improper use of Government buildings, and to protect those having legitimate business with the customs and post-office departments from obstruction and annoyance, we recommend that the collector require the passages on the ground-floor to be closed except for ingress and egress of post-office and appraisers' wagons, and that the chief janitor be directed to prevent the collection of idle and unauthorized persons in and around the custom-house building.

PREVENTION OF SMUGGLING.

The commission have given much attention to the prevention of smuggling into this port. A casual study of the physics of this locality will convince any one that no place on this continent offers greater facilities for trade in violation of the revenue laws than the coast of Louisiana. The water approaches to this port are numerous and shielded by swamps and forests. Shallow waters prevail in many places, and, if smuggling is not carried on to a large extent, it cannot be because the facilities are not ample. The revenue-cutter "Dix," stationed on this coast, is an efficient ship for outside work, and during the last six months her officers have been diligent in the performance of their duties. They report that, during the six months commencing December 1, 1876, and ending June 1, 1877, they boarded and examined 7,592 vessels and reported 153 for violation of the revenue laws; but the "Dix" draws too much water (seven feet) to permit her to enter many places where the commission have reason to believe smuggling-vessels are harbored, and where smuggling may be carried on to any extent. We believe that a small steam-vessel, schooner-rigged, so as to be used under sail or steam, not drawing more than five feet, would not only be efficient, but is absolutely necessary to protect the interests of the Government. Such a boat should mainly cruise on the Gulf coast, east and west of the mouth of the Mississippi River, among the bayous and sounds where a larger vessel could not be made useful. She should be manned by eight or ten good men, and be commanded by a regular officer of the revenue marine, to insure discipline, and should be under the control of the special agent of the Treasury in charge of this district, when required.

The commission have examined all the boarding stations in this collection-district southward of New Orleans, and recommend that the revenue stations at Southwest Pass, South Pass, and Pass à l'Ouvre be abolished, and that a station be established on the Mississippi River near to and above a passage to the Gulf, known as "The Jump," which

lies at the head of all the outlets from the river, except two hereafter referred to. Any one of the Government buildings now in use at the Passes could be removed to the new station without serious difficulty or expense. There should be stationed at this point three boarding officers, two engineers, two watchmen, and two boatmen, and there should be provided for their use a steam-tug and a skiff. They should be required to board and examine every vessel from foreign ports, whether inward or outward bound, all coastwise vessels, pilot-boats, oyster-luggers, and every species of boat passing that station, inward bound. With this arrangement, and an active inspector at the Rigollets, with the usual complement of boatmen awarded to that station, the only points left to be guarded will be the Barataria canal and Harvey's canal which lie opposite New Orleans, entering the Mississippi, about six miles apart, and communicate with the Gulf of Mexico through a net-work of bayous. There should be an inspector stationed at the head of these canals, and he should be allowed \$1 per diem for a horse, which he should be required to keep, so as to traverse the distance between the two canals. This additional station could be established without increase of force. There are at the present time four district officers stationed at various points along the levee in New Orleans, with comfortable houses to shelter them, and whose duty it is to report all arrivals and departures, and to see that the patrols are attentive to their duties. In the opinion of the commission, not more than two such officers are needed. We therefore recommend that two of the buildings be sold, and the other two removed to suitable locations near the steamship landings, and that two of the district officers not needed for this service be assigned to patrol duty. The commission are sanguine that their recommendations with regard to the re-arrangement and consolidation of the inspection stations, if carried out, will secure comparative safety for the revenue from smugglers; and it is demonstrable that the adoption of this plan will save the Government nearly five thousand dollars per annum in salaries.

It is a significant fact that, for the year and a half commencing January 1, 1876, and ending July 1, 1877, but seventy-five seizures, aggregating, in appraised value, \$5,500, have been made in this district. The commission, being not wholly satisfied, considering the force of inspectors employed here, that such an exhibit is an evidence of industry on their part, take this occasion to recommend that the Department require the collector of this district to impress upon those officers whose duty it is to patrol the levees, that the discovery of a larger percentage of infringements of the revenue-laws would be an indication of more faithful performance of duty. In this connection, it may be mentioned that inspectors on patrol duty (not being discharging-officers) appear to be in the habit of boarding vessels for the purpose of taking meals with the officers. This is a practice which, in our opinion, is detrimental to the service, and should be discountenanced.

The commission have discussed thus, in detail, the subject of smuggling, because, in their judgment, the revenues of the Government at this port are largely affected thereby. It was elicited in evidence before the commission that Havana cigarettes are openly retailed in New Orleans at \$2.50 per box, when their cost to the honest importer, including export-duty in Havana, import-duty, internal-revenue tax, and other charges, is little less than \$4 a box. It is further in evidence that, under existing circumstances, even the seizure and sale of smuggled cigarettes do not help honest trade; for, by a combination on the part of the dealers in these articles, seized cigarettes seldom bring, at a United States marshal's sale, more than six cents a packet, the Government furnishing

a four-cent revenue-stamp for each packet. Thus the dishonest importer, when his smuggled goods are seized and sold, is able to buy them, at a marshal's sale, cheaper than he could honestly import them. This evil, to a great extent, no doubt arises from the excessive duty which Congress has thought fit to impose upon the importation of cigarettes, and will require legislative action to provide a full remedy; but increased vigilance on the part of the revenue officers, and the adoption of the precautions against smuggling herein recommended, would, in our opinion, repair, to a considerable extent, the injury which is now inflicted on the revenue in this regard.

In closing their report, the commission desire to say they are satisfied the administration of the custom-house here could be brought to the highest standard of usefulness and efficiency by requiring greater personal attention to the duties of their offices than has heretofore been given by the heads of departments, together with the aid of the supervisory appliances now so well organized by the Treasury Department. In conducting their investigation the commission have endeavored faithfully to carry out the instructions of the honorable Secretary of the Treasury, suppressing no facts brought to their notice, and shielding no person proved to have been derelict in his official duty. The recommendations contained in their preliminary report, which to a great extent have been put in operation, will effect an annual saving of over sixty thousand dollars in the cost of collecting the revenues of this port. They confidently believe that the further recommendations herein contained, if carried into effect, will redress some abuses which have given just cause of complaint, enhance the efficiency of the customs service, and increase the revenues of the Government.

The commission, in their preliminary report, recommended that a small portion of the force be suspended during the summer months. Their instructions contained the suggestion that "the administration of business should be conducted on the closest principles;" hence the recommendation. One member of the commission is, however, of opinion that the practice of summer suspension is not pursued by the largest and best-conducted houses of this city, and recommends that the Department conform in this respect to the commercial usage of the city.

Respectfully submitted.

A. M. BARNEY.
 L. A. SHELDON.
 F. H. HATCH.

Hon. JOHN SHEERMAN,
Secretary of the Treasury, Washington, D. C.

In relation to the last paragraph, I am of the opinion that a sufficient number of skilled and experienced persons to do all the business of the custom-house in ordinary times should be retained during the whole year, and that summer suspensions should only be made as to positions where no particular skill or experience is required.

L. A. SHELDON.

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 TREASURY DEPARTMENT, August 28, 1877.

SIR: I transmit herewith a copy of the final report, dated the 4th instant, of the commission appointed to investigate the New Orleans custom-house.

In consequence of complaints made by merchants against the system of *drayage* now existing, the commission recommends the revocation

of the present appointments of draymen, made in accordance with instructions contained in the Department's letters of the 5th and 23d of February, 1877.

The Department approves the recommendation, and you will take measures to let the public cartage mentioned in those letters, in accordance with the provisions of section 25 of the act of June 22, 1874, after not less than thirty (30) days' notice, to the lowest responsible bidder, giving sufficient security, and proposing to cart at a rate not exceeding twelve (12) cents per package. In the case of sample packages, the consignee will be required to pay the sum of twenty-five (25) cents on each package sent to him, to cover the expense of drayage and handling.

On the completion of the custom-house, it is desired that its basement and upper story be utilized, so far as practicable, for the transaction of the custom-house business.

Your attention is called to the circular of this Department, No 60, current series, containing regulations governing the discharge of steamers at night, and the compensation of inspectors therefor. At the request of the master, owner, or agent of any steamer, you will allow goods landed, but not permitted to remain on the dock, at the sole risk of the owner of the vessel, not longer than forty-eight (48) hours from the time of their discharge, under the regulations contained in said circular. Every facility, consistent with the law and regulations, should be afforded merchants to obtain their goods before they are sent to general-order store.

In regard to the statement of the commission, that merchants complain of the exaction of a fee for a bond for the production of triplicate invoices, the Department has to remark that the bond is required by the provisions of section 2857 Revised Statutes, and that the law authorizes the exaction of the fee for the execution of such bond.

It is understood that bonds of this kind are seldom necessary. The matter, however, will be brought to the attention of the Secretary of State, with a view to secure from consuls a prompt transmission of triplicate invoices, so that the necessity for a bond may be obviated. In this connection, your attention is called to the decision of the Department, dated the 21st of December, 1874, (Synopsis, 2053,) directing collectors to proceed with liquidations, notwithstanding the non-receipt of triplicate invoices.

The commission recommends that, in case a foreign customs officer should refuse to grant a certificate showing that merchandise exported from the United States has been duly landed, the certificate of the consul should be accepted, without requiring the certificate of the foreign officer. This being substantially the present regulation upon the subject, no action upon the recommendation appears to be necessary.

With a view of preventing excessive sampling in the appraiser's store, you will, in accordance with the recommendation of the commission, hereafter cause all packages of samples opened by the appraiser to be corded and sealed before they are removed from the appraiser's custody, and the name of the examiner to be stencilled on the package.

The commission suggests that your attention be called to the apparent sympathy existing between the appraisers and the importers, whereby the appraisers' valuation of imported merchandise becomes the same as that stated in the invoice relating to such merchandise. You are requested to exercise great care that the return of the appraiser shall exhibit the true dutiable value of the merchandise, if such value be greater than the value specified in the invoice.

The presence of unauthorized persons in the appraiser's room when examinations of merchandise are in progress must be prevented, as provided for in article 430 of the Treasury Regulations of 1874.

The suggestion that samples for the classification of West India sugars should be procured from Havana for use instead of the standard Dutch samples, will receive further consideration by the Department, due regard being paid to the law requiring that "Dutch standards in color" shall be used.

The recommendation of the commission that your entry clerk be directed to give his undivided attention to the estimating of duties on the entries presented to him, in conformity with article 350 of the Customs Regulations, and that, in respect to affidavits and powers of attorney, he be required to conform to what is the authorized practice at other ports, is approved, and you will take action accordingly.

One importer should be given no preference over another; and you will please exercise care that any practice to the contrary on the part of your subordinates shall be discontinued.

The liquidation of duties upon merchandise should be completed as speedily as practicable after the entry and delivery of the goods.

The practice of drawing funds for the payment of employés, and of distributing them in currency in the cashier's office, on memoranda furnished from the auditor, will be discontinued; and the cashing of pay-rolls in advance will be discouraged, and, if practicable, prevented.

The passages of the ground-floor of the custom-house should be closed, except for the ingress and egress of the post-office and of the appraiser's wagons; and the chief janitor will be directed to endeavor to prevent the collection of idle and unauthorized persons in and around the custom-house building.

The recommendation of the commission for the employment of a small steam-vessel, schooner-rigged, not drawing more than five (5) feet of water, for the prevention of smuggling, will receive due consideration.

In accordance with the recommendation of the commission, the revenue-stations at Southwest Pass, South Pass, and Pass à l'Ouvre will be abolished, and a station will be established on the Mississippi River, near to and above a passage to the Gulf known as the "Jump." One of the Government buildings now in use at the passes should be removed to the new station, at which there will be stationed three (3) boarding-officers, two (2) engineers, two (2) watchmen, and two (2) boatmen; and a steam-tug and skiff should be provided for their use. The officers there will be required to board and examine every vessel from foreign ports, whether inward or outward bound, and all coastwise vessels, pilot-boats, oyster-luggers, and other kinds of boat passing that station inward bound.

One inspector, with the usual complement of boatmen, should be stationed at the Rigolets; and an inspector will be stationed at the head of the Barataria Canal and Harvey's Canal, respectively, each of whom will be allowed one dollar (\$1) per diem for a horse, which he will be required to keep, so as to traverse the districts between the two canals. Instead of the four (4) district officers now stationed at the various points along the levee in New Orleans, but two officers will be employed. Two of the buildings used by them will be sold, and the other two removed to suitable locations, near the steamer landings. The two district officers whose services in the capacity mentioned are to be dispensed with will be assigned to patrol duty; and it is expected that you will impress upon them, and all patrol officers, the importance of extreme vigilance in the performance of their duties.

Inspectors on patrol duty will not be allowed to take meals with the officers of vessels, or to accept other favors from the hands of such officers for official services rendered.

In selling at public auction cigarettes and other imported goods forfeited for violation of the revenue-laws, every reasonable effort should be made to obtain fair prices, to the end that the interests of honest importers may not be unduly prejudiced by the placing of imported goods upon the market at prices lower than those usually obtaining.

The Department desires that the changes indicated above shall be made as speedily as practicable, and that all the instructions herein given shall be fully complied with.

Should further instructions be necessary, in any case, you will report the fact to the Department, with your recommendation as to the course which, in your judgment, should be pursued.

Please acknowledge the receipt of this letter.

Very respectfully,

JOHN SHERMAN,
Secretary.

COLLECTOR OF CUSTOMS,
New Orleans, La.

APPENDIX.

Special notice.

ROOMS OF THE COMMITTEE OF INVESTIGATION,
Custom-house, New Orleans, June 20, 1877.

Among the instructions of the honorable the Secretary of the Treasury, communicated to the commission of investigation by the collector of the port, is the following:

"The commission will give careful consideration to such complaints as may be presented in regard to the mode of conducting business and the efficiency of the service, and such complaints will be taken into consideration in making their report upon the general subjects involved."

For the purpose of complying with this portion of their instructions, the commission respectfully invite oral or written complaints, suggestions or information from importers, merchants, and others interested in the commerce of the port of New Orleans, and have assigned Friday, the 22d instant, and following days, commencing at 10 a. m., for a full hearing and consideration of all such complaints and suggestions; the object of the commission being to make such recommendations as will increase the efficiency of the revenue-service, lessen its expense, and lighten the burdens upon commerce.

A. M. BARNEY,
Chairman.

H. CONQUEST CLARKE,
Secretary.

NEW ORLEANS, *June 8, 1877.*

GENTLEMEN: It has been reported to the Treasury Department at Washington that the business of the custom-house at New Orleans has been organized on an extravagant scale, and that, in some respects, it is oppressive to importers. So far, no complaint has been made by the importing merchants of this city, whose vigilance and promptness in everything affecting our commerce is proverbial. But as the report I have alluded to has been made and referred to me, I desire it to be inquired into. A large proportion of the merchants, importers, and ship agents of New Orleans testified last year, before the congressional investigating committee, that the custom affairs at this port had "been conducted justly and honestly, in the interests of the Government and the business of the country." This statement I make cheerfully, in justice to my predecessor in office.

If, however, you should be cognizant of any irregularities in the existing system, or any regulations oppressive to importers, which may have suggested themselves to you since the above testimony was given; or should you think it conducive to the public

interest to make any material changes in the system now in operation; or should you have any proposition to make, tending to a more convenient, prompt, and economical administration of this department, you will confer a favor by reporting to the commission now holding daily sessions in the custom-house, of which General A. M. Barney is the chairman.

Trusting that, as representatives of the commercial interests of the city, and whenever you may deem it necessary, you will make to me any suggestions that may occur to you as calculated to promote efficiency and economy in the administration of the custom service at this port, I remain, respectfully, your obedient servant,

JOHN E. KING,
Collector of Customs.

The PRESIDENT AND MEMBERS OF THE CHAMBER OF COMMERCE OF NEW ORLEANS.

SCHEDULE B, SHOWING PRESENT FORCE AND PROPOSED REDUCTION OF PERSONS ENGAGED IN COLLECTING THE REVENUES FROM CUSTOMS DISTRICT OF NEW ORLEANS.

Statement showing the proposed reduction in the customs force, district of New Orleans, La.

Office or department.	No. of	Pay.	As proposed.		Reduction.	
			No. of men.	Pay.	No. of men.	Pay.
Collector's	12	\$22, 400	7	\$16, 590	5	\$5, 810
Naval officer's	9	14, 840	6	10, 020	3	4, 820
Surveyor's	5	6, 240	3	5, 020	2	1, 220
Cashier's	3	5, 300	2	4, 300	1	1, 000
Entry of merchandise	6	8, 700	4	5, 520	2	3, 180
Bonds	2	2, 600	1	1, 600	1	1, 000
Marine papers	3	4, 000	3	4, 000	.....	.....
Warehouse	4	5, 800	4	5, 800	.....	.....
Auditor's	16	21, 500	10	14, 620	6	6, 880
Appraiser's	27	33, 500	19	24, 220	8	9, 220
Weigher's and gauger's	18	17, 100	14	14, 100	4	3, 000
Storekeeper's	20	20, 720	12	13, 480	8	7, 240
Inspector's	84	76, 085	67	58, 135	17	17, 950
Miscellaneous	18	14, 060	15	7, 200	3	6, 860
Total	227	252, 845	167	184, 665	60	68, 180

Schedule of persons employed in the customs service, district of New Orleans, and a memorandum of proposed reductions.

COLLECTOR'S OFFICE, (PROPER)

1 collector, at a salary of	\$7, 000
2 deputy collectors, at a salary of \$3,000 each	6, 000
1 deputy-collector, (vacant.)	
1 deputy collector at Shreveport	1, 000
1 correspondence-clerk, at	2, 000
1 assistant correspondence-clerk, at	1, 400
2 clerks, at \$1,200 each	2, 400
1 clerk, at	1, 000
2 messengers, at \$800 each	1, 600

12

As proposed.

1 collector, at a salary of	\$7, 000
2 deputy collectors, at a salary of \$3,000 each	6, 000
1 deputy collector at Shreveport	350
1 correspondence-clerk, at	1, 800
2 messengers, at \$720 each	1, 440

7

Reduction.

5 Men	\$5,810
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NAVAL OFFICE.

naval officer, (salary from fees, by law.)	
1 deputy naval officer, at a salary of	\$2,500
1 chief clerk, at a salary of	2,000
1 entry-clerk, at a salary of	1,800
1 cashier, at a salary of	1,600
1 liquidating-clerk, at a salary of	1,600
1 warehouse-clerk, at a salary of	1,600
1 assistant warehouse-clerk, at a salary of	1,500
1 manifest-clerk, at a salary of	1,400
1 messenger and porter, at a salary of	840
9	14,840

As proposed.

1 deputy naval officer, at a salary of	\$2,500
1 chief-clerk, at a salary of	2,000
1 entry-clerk, at a salary of	1,600
1 liquidating-clerk, at a salary of	1,600
1 warehouse-clerk, at a salary of	1,600
1 messenger, at a salary of	720
6	10,020

Reduction.

3 Men	\$4,820
-------------	---------

SURVEYOR'S OFFICE.

surveyor, (salary from fees, by law.)	
1 deputy surveyor, at a salary of	\$2,500
1 chief-clerk, at a salary of	1,400
1 clerk, at a salary of	1,200
1 messenger, at a salary of	600
1 messenger, at a salary of	540
5	6,240

As proposed.

1 deputy surveyor, at a salary of	\$2,500
1 clerk, at a salary of	1,800
1 messenger, at a salary of	720
3	5,020

Reduction.

2 men	\$1,220
-------------	---------

CASHIER'S.

1 cashier, at a salary of	\$2,500
1 assistant cashier, at a salary of	1,800
1 clerk, at a salary of	1,000
3	5,300

As proposed.

1 cashier, at a salary of	\$2,500
1 assistant cashier, at a salary of	1,800
2	4,300

Reduction.

1 man	\$1, 000
-------------	----------

ENTRY OF MERCHANDISE.

1 chief entry-clerk, acting deputy collector	\$2, 500
1 assistant entry-clerk, at	1, 800
3 clerks, at \$1,200 each	3, 600
1 messenger	800
6	8, 700

As proposed.

1 chief entry-clerk, at	\$2, 000
1 assistant entry-clerk, at	1, 600
1 clerk, at	1, 200
1 messenger, at	720
4	5, 520

Reduction.

2 men	\$3, 180
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BONDS.

1 bond-clerk, at a salary of	\$1, 400
1 bond-clerk, at a salary of	1, 200
2	2, 600

As proposed.

1 bond-clerk, at a salary of	\$1, 600
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Reduction.

1 man	\$1, 000
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MARINE PAPERS.

1 registry-clerk, at	\$1, 800
1 assistant clerk, at	1, 000
1 clearance-clerk, at	1, 200
3	4, 000

No change proposed.

WAREHOUSE DIVISION.

1 warehouse-clerk, at	\$1, 800
1 assistant clerk, at	1, 400
1 warehouse-bond-account clerk, at	1, 400
1 warehouse-bookkeeper, at	1, 200
4	5, 800

No change proposed.

AUDITOR'S OFFICE.

1 auditor, at a salary of	\$2, 500
1 chief clerk, at a salary of	1, 800
1 liquidating-clerk, at a salary of	1, 400
1 liquidating-clerk, at a salary of	1, 200
1 statistical clerk, at a salary of	1, 400
2 statistical clerks, at a salary of \$1,200 each	2, 400
2 impost and abstract clerks, at a salary of \$1,400 each	2, 800
1 impost and abstract clerk, at a salary of	1, 000
1 file-clerk, at a salary of	1, 400
1 file-clerk, at a salary of	1, 000
1 amendment-clerk, at a salary of	1, 400
1 abstract-of-disbursements clerk, at a salary of	1, 200
1 passengers'-returns clerk, at a salary of	1, 400
1 messenger, at a salary of	600
16	21, 500

As proposed.

1 auditor, at a salary of	\$2,500
1 chief clerk, at a salary of	1,800
1 liquidating-clerk, at a salary of	1,600
1 liquidating-clerk, at a salary of	1,400
1 statistical clerk, at a salary of	1,400
1 statistical clerk, at a salary of	1,200
1 impost-clerk, at a salary of	1,400
1 impost-clerk at a salary of	1,200
1 file and record clerk, at a salary of	1,400
1 messenger	720
10	14,620

Reduction.

6 men	\$6,880
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APPRAISER'S OFFICE.

2 appraisers, at a salary of \$3,000 each	\$6,000
1 assistant appraiser, at a salary of	2,500
1 clerk, at a salary of	1,800
1 clerk, at a salary of	1,200
1 clerk, at a salary of	1,000
6 examiners, at a salary of \$1,800 each	10,800
1 sampler, at a salary of	800
2 openers and packers, at a salary of \$800 each	1,600
2 messengers, at a salary of \$600 each	1,200
1 chief laborer, at a salary of	800
8 laborers, at a salary of \$600 each	4,800
1 drug-examiner, at a salary of	1,000
27	33,500

As proposed.

1 appraiser, at a salary of	\$3,000
1 assistant appraiser, at a salary of	2,500
1 clerk, at a salary of	1,600
1 clerk, at a salary of	1,400
4 examiners, at a salary of \$1,600 each	7,200
1 examiner of drugs, at a salary of	1,000
2 openers and packers, at a salary of \$800 each	1,600
1 chief laborer, at a salary of	800
5 laborers, at a salary of \$600 each	3,000
1 messenger, at a salary of	720
1 cigar-inspector, at \$4 per day	1,460
19	24,280

Reduction.

8 men	\$9,220
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WEIGHER'S AND GAUGER'S.

1 weigher, at a salary of	\$2,000
3 assistant weighers, at a salary of \$1,200 each	3,600
4 foremen, at a salary of \$1,000 each	4,000
7 laborers, at a salary of \$600 each	4,200
1 gauger, at a salary of	1,500
1 clerk, at a salary of	1,200
1 marker, at a salary of	600
18	17,100

As proposed.

1 weigher, at a salary of	\$2,000
5 assistant weighers, at a salary of \$1,200 each	6,000
5 laborers, at a salary of \$600 each	3,000

1 gauger, at a salary of.....	\$1,500
1 clerk, at a salary of.....	1,000
1 marker, at a salary of.....	600

14	14,100
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Reduction.

4 men	\$3,000
-------------	---------

STOREKEEPER'S DIVISION.

1 superintendent of warehouses, at.....	\$2,500
2 clerks, at \$1,000 each.....	2,000
7 storekeepers, at \$4 per day.....	10,220
7 laborers, at \$600 each.....	4,200
2 markers, at \$600 each.....	1,200
1 messenger, at.....	600

20	20,720
----	--------

As proposed.

1 superintendent of warehouses, (to have charge of public store and seizure-room,) at.....	\$1,600
6 storekeepers, at \$4 per day.....	8,760
3 laborers, at \$600 each.....	1,800
1 marker, at.....	600
1 messenger, at.....	720

12	13,480
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Reduction.

8 men.....	\$7,240
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INSPECTORS, ETC.

1 special inspector, at \$4 per day.....	\$1,460
23 day-inspectors, at \$3 per day.....	42,705
24 night-watchmen, at \$2 per day.....	17,520
20 boatmen, at \$720 per annum.....	14,400

84	76,085
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As proposed.

1 special inspector, at \$4 per day.....	\$1,460
23 day-inspectors, entire year, at \$3 per day.....	27,375
5 day-inspectors, from October 1 to May 1, at \$3 per day.....	3,180
15 night-watchmen, entire year, at \$2 per day.....	10,950
5 night-watchmen, from October 1 to May 1, at \$2 per day.....	3,650
16 boatmen, at \$720 per annum.....	11,520

67	58,135
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Reduction.

17 men.....	\$17,950
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MISCELLANEOUS.

1 custom-house keeper, at.....	\$1,400
1 carpenter, at.....	1,200
1 cigar-inspector, at.....	1,460
1 janitor, at.....	800
1 assistant janitor, at.....	600
5 assistant janitors, at \$400 each.....	2,000
1 captain of night-watch, at.....	800
5 night-watchmen, at \$600 each.....	3,000
1 engineer, at.....	1,600
1 assistant engineer, at.....	1,200

18	14,060
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As proposed.

1 chief janitor, (to have the custody of building, and control of janitors and watchmen,) at	\$1,000
8 assistant janitors, at \$25 per month.....	2,400
1 captain of night-watch, at.....	800
5 night-watchmen, at \$600	3,000
<hr/> 15	<hr/> 7,200
<hr/>	
<i>Reduction.</i>	
3 men.....	\$6,860
<hr/>	<hr/>

REPORT OF THE COMMISSION ON THE SAN FRANCISCO CUSTOM-HOUSE.

SAN FRANCISCO, CAL., *October 1, 1877.*

SIR: Since completing the examination of all departments of the Mint, as contemplated by the instructions contained in your letter of June 16, 1877, the commission has made a thorough investigation into the several departments of the customs-service, with a view of ascertaining whether any officer or employé had been guilty of violating law or Treasury regulations in the collection of the revenues; whether the revenue had suffered through a lax administration of law and regulation; also, to ascertain whether a reduction in the expenditures was practicable, and whether improvements could be suggested in the mode and manner of conducting the business of that important branch of the public service.

To make such an examination, in accordance with the letter and spirit of your instructions, required much time and labor, for it involved the careful examination of a large number of records, reports, and statistics, in addition to the time occupied in taking the testimony of a great many witnesses touching all questions affecting the public revenue, and the best mode and manner of its collection.

In this connection the commission desires to place on record the fact that the collector, naval officer, surveyor, and all the heads of the several subordinate divisions, have shown a disposition to facilitate in every possible way the work of the commission, by furnishing copies of papers, statistics, &c., and by promptly appearing before the commission and giving testimony, to which reference will be made hereafter. The special agents, Evans and Morris, also have rendered valuable service, which deserves special mention.

As a preliminary step, the commissioners made a thorough personal inspection of the collector's, naval officer's, surveyor's, and appraiser's departments, with a view of familiarizing themselves with the mode and manner of conducting the routine work of the custom-house. After which they made public, through the daily press, your letter of instructions to them, to which was appended the following:

In pursuance of the foregoing instructions, the commission is now prepared to receive such information as the chamber of commerce, importers, merchants, and all persons interested in promoting the efficiency of the public service, may desire to furnish. The secretary will be in attendance at the rooms of the commission daily, from 9 a. m. to 4 p. m., to receive such communications; and all persons having information which may be of service in prosecuting the inquiries contained in the instructions of the Secretary of the Treasury, will please hand it in, in writing, as above indicated. They are also requested to furnish the commission with the names of all persons whose testimony would be of service.

The sessions of the commission were open to the public, and the widest latitude allowed in the examination of witnesses, in order that all the information possible might be obtained. All officers and heads of the several departments, as well as a large number of clerks and employés of the customs, were called upon to give sworn evidence touching the several subjects of inquiry; also ex-officers of the customs, importers, merchants, custom-house brokers, and all persons likely to have information that might prove of value to the commission, were called before it to testify.

All the evidence taken has been reported with care, and is contained in vols. 1, 2, 3, and 4, herewith submitted, and made a part of this report.

Imposta, excise, and taxes, in whatever form, are regarded by the public generally as onerous burdens, and few persons can be found who are unwilling to be relieved from contributing their quota for the support of the Government.

It is also true that there are few, if any, contributions exacted by the Government from its citizens so reluctantly responded to, or which are so persistently sought to be evaded by every possible device, as duties on imports; and it is no exaggeration to state that, in no branch of the public service from whence the Government derives revenue, are there such opportunities presented for fraudulent practices as in the levying and collecting of the duties on imports.

It follows, therefore, that the officers and employés to whom this duty is confided should be persons of pure character, sound judgment, and great executive ability.

As requested in the first and second paragraphs of your letter of instructions, the commission directed its attention to ascertaining whether the force now employed in the customs-service is in excess of the requirements, and also to determine whether the persons so employed are fit and competent to perform the duties assigned them. It appears from a "statement of expenses of collection and reductions therein," furnished by the auditor, which is appended to and made part of this report, (Appendix A,) that since July 1, 1875, several important reductions have been made in the number of persons employed in the custom-house, and also in the rate of compensation; a list of officers, clerks, and permanent employés in the customs-service September 1, 1877, with the salaries paid to each, is also appended. (Appendix B.)

Some reductions have been made by the collector on his own motion, some by order of the Secretary of the Treasury, and others at the suggestion of the special agents of the Treasury.

The total reduction made in the cost of collecting the revenue at this port since July 1, 1875, may be summarized as follows:

Total cost of collecting the revenue for fiscal year ending June 30, 1875..	\$451,007 52
Total cost of collecting the revenue for fiscal year ending June 30, 1877..	352,756 86
Reduction	98,250 66
To which should be added an item of increase which is now paid by warehouse proprietors.....	4,142 50
Net saving to the United States in the collection of the revenue.....	102,393 16
or about 22 $\frac{1}{10}$ per cent.	

The collector, naval officer, and surveyor, in their evidence before the commission, all concur in stating that the force now employed cannot be materially reduced without detriment to the public interests; they also affirm that the compensation of customs employés at the present

time is as low or lower than that paid by merchants for similar service; and their testimony is supported and corroborated by the best evidence given from merchants and others familiar with custom-house affairs.

A careful inquiry as to the character, habits, and qualifications of the persons now employed in the customs-service establishes the fact that, with few exceptions, they are men of good character, sober, intelligent, and faithful in the discharge of their duties; nor is there reason to believe that any are employed in other business.

Great care and pains have been taken in examining into the affairs of the weigher's and gauger's department, and, from all the evidence adduced, the commission has come to the conclusion that this branch of the service is honestly and faithfully conducted; that the number of men permanently employed is under, rather than over, the requirements; nor is there any evidence going to show that there is any connection between city weighers and those in the employ of the Government.

It should be stated in this connection that, at this season of the year, there is an unusual number of ships laden with foreign coal discharging at this port, which necessitates the employment of temporary weighers. The fact should also be stated that, owing to the limited number of permanent inspectors employed, it is found impracticable to assign an inspector to each coal-ship, so that it not infrequently happens that the weigher acts in the double capacity of *weigher and inspector* in the discharge of such vessels. It is a question worthy of serious consideration, whether the employment of additional temporary inspectors, sufficient to permit the placing of one at least on each ship discharging a dutiable cargo, would not in the end be for the best interests of the Government.

The fourth paragraph of your instructions, directing inquiries to be made in regard to the landing of merchandise and its care and custody prior to its receipt in bonded warehouse or final payment of duty when not entered in bond, also in regard to smuggling, especially opium, and whether it has been caused by a lack of vigilance on the part of customs officers, has engaged the attention of the commission, and led it to make a thorough and searching investigation into these questions. That smuggling to a greater or less extent has been and is carried on in this as well as all other ports of entry in the United States, no one familiar with custom-house affairs will deny or scarcely question; nor will such illicit practices cease entirely so long as the risk of pecuniary loss is more than balanced by the chance of gain. In such cases the risk of detection and chance of gain are somewhat in proportion to the bulk and value of the goods sought to be smuggled—goods of great cost paying a high rate of duty, and of small bulk, offering the greatest inducement for this illicit traffic.

Among all the articles enumerated on the tariff list, few can be found that offer such inducements to smugglers as opium prepared for smoking. This drug thus prepared is packed in small tin boxes or bladders, of convenient size to be carried on the person or it can be concealed in other merchandise paying a comparatively low rate of duty, with reasonable chance of its escaping detection. A high rate of duty (six dollars per pound) holds out a strong inducement for unscrupulous persons to take the risk of detection and confiscation for the chance of large gains in case of success. And the profits on this traffic are so large that all officers of the customs whose duty it is to detect and prevent smuggling, are constantly liable to have bribes offered them to close their eyes to these illegal operations.

As a preliminary step in the inquiry, the commission called for statis-

tics showing the quantity of smoking opium entered at this port for consumption each fiscal year for the last five years—the *consumption* each year being a better *datum* on which to base a comparison than the *quantity imported*.

Statistics show (Appendix C) that the quantity of smoking opium entered at this port for consumption from July 1, 1872, to June 30, 1877, was as follows:

	Pounds.
1873.....	52,972
1874.....	55,325
1875.....	62,773
1876.....	52,607
1877.....	46,615

And the gross value of this drug seized, confiscated, and sold in the same time, was:

1873.....	\$6,578
1874.....	6,347
1875.....	30,226
1876.....	11,763
1877.....	65,261

From this it appears that the falling off in the quantity entered for consumption in 1877, as compared with 1875, was 16,158 pounds, and a consequent diminution in the amount of duty collected of \$96,948. The gross value of opium seized and confiscated was \$65,261 in 1877, while in 1875 it amounted to only \$30,226.

That the consumption of this drug by persons who draw their supplies from this port has lessened in the last two years is hardly possible, for the number of Chinese in the United States is greater now than it was in 1874-'75, and there is no evidence going to prove that a reformation in the habits and tastes of these people has taken place within the last two years in regard to the use of opium. The commission is, therefore, forced to the conclusion that more opium was smuggled in 1877 than in any previous year. Various theories have been advanced by the witnesses testifying concerning this subject to account for the falling off in the entries for consumption of this drug. One is, that large quantities of crude opium are brought here, and re-exported in bond to British Columbia, where manufactories have been established for transforming crude into smoking opium, which is then clandestinely brought back to the United States without payment of duty; others entertain the belief that the inducements held out to informers by the provisions of the act of June 22, 1874, are insufficient to warrant persons not connected with the Government service in spending their time and money in hunting up and ferreting out combinations which are constantly being formed to promote smuggling; and many persons, who appear to have good opportunities for arriving at correct conclusions, account for the discrepancy in the amount of duty-paid opium consumed by the fact that smuggling has been promoted, since the repeal of the "moiety act," by collusion between members of the night force of inspectors and those directly engaged in this illicit traffic, for the reason that smugglers were willing to pay the customs officers more for closing their eyes to fraudulent practices than they would be likely to obtain as seizing officers, were the goods seized and confiscated. Certain circumstances were pointed out which seemed to confirm this latter opinion, but after a very thorough examination of all witnesses who were likely to be well informed on this subject, no evidence could be found that showed complicity between any of the customs employes and opium-smugglers. The fact that the

amount seized during 1877 was larger than in any previous year rather justifies the conclusion that the officials have been active and vigilant; at the same time there are strong reasons for believing that the changes recently made in the force of night-inspectors will increase the efficiency of that branch of the service.

It has been suggested that a reduction in the rate of duty on opium would lessen the inducement, and, therefore, attempts at fraud would be fewer; but the commission is of the opinion that any reduction in the duty likely to meet the sanction of Congress would not diminish the evil, while it would materially reduce the revenue; therefore, no change is recommended in the rate of duty.

Crude opium containing less than 9 per cent. of morphine cannot, under existing laws and regulations, be imported and entered for consumption, but can be entered for warehousing and exportation in bond. As a matter of fact, very little opium produced in India and China contains the requisite percentage of morphine to entitle it to entry for consumption. But statistics prove that considerable quantities have been brought into this port in the last two years, nearly all of which has been re-exported to British Columbia and Panama. This fact furnishes circumstantial evidence that such shipments go to supply manufacturing at those points, the products of which are intended mainly for illicit traffic.

If it be correct that large quantities of crude opium are brought here and re-exported to British Columbia and Central America for manufacture, because of the extra facilities offered for bringing the manufactured article from those countries back here in a clandestine way, the commission most respectfully recommends, as a partial check to the evil, that existing laws be so amended as to prohibit the entry for re-exportation of crude opium in bond, thus placing crude and prepared opium on the same footing. The cutting off of the means of supply through this port, in the manner suggested, will, in the opinion of the commission, tend to lessen smuggling, and, as a necessary consequence, increase the revenue.

But the great safeguard against fraudulent importations lies in the honesty and fidelity of the officials and employes of the custom-house to whom is assigned the duty of watching the discharge of ships and steamers; and unless the greatest care is exercised in the appointment of both day and night inspectors, all other measures for the prevention of smuggling will prove practically useless. The act of June 22, 1874, repealed the laws which had been in force many years, which gave to informers, seizing officers, &c., a certain fixed share of the value of all goods seized in the act of being smuggled, and condemned, and made other and different provisions for their reward.

The testimony of nearly all the witnesses familiar with the operations of the act referred to, is to the effect that, by the provisions of the act of 1874, the compensation of informers and seizing officers is so uncertain that it does not hold out sufficient inducement to persons disconnected with the customs service to act as spies and informers, nor does it stimulate customs officers to the same degree of activity that former acts did.

Under existing laws, the proper duty on goods seized in the act of being smuggled, and the legal and other expenses incident to seizure and sale, are first deducted from the proceeds of the sale; then the seizing officer may, in the discretion of the Secretary of the Treasury, be paid from the Treasury such sums as may seem reasonable, not exceeding one-half the net proceeds of such seizure. The Secretary is

authorized to make such reasonable compensation to informers, *not officers of the United States*, as may seem just and reasonable, not exceeding in any one case the sum of five thousand dollars, no provision being made for compensating in any way an informer, if he be an officer of the United States. Customs officers of the lower grades are not likely to prove ambitious informers so long as those who seize the goods are the only ones permitted to share in the reward. The commission begs leave, therefore, to recommend a change in the law concerning this subject, as follows :

1st. That from the gross proceeds of any sale of goods seized in the act of being smuggled, there should be paid all legal and other costs of seizure and sale.

2d. That the Government should receive the amount of duty properly chargeable upon the goods so seized in full satisfaction for its claims.

3d. That the remainder be equally divided between the informer and seizing officer ; and in case where there is no informer, then the whole of the remainder, after deducting expenses and duty, shall go to the seizing officer : *Provided*, That neither seizing officer nor informer shall be entitled to receive exceeding five thousand dollars for any one seizure : *And provided further*, That no officer of the customs in receipt of a salary or fixed compensation exceeding twenty-five hundred dollars per annum shall be entitled to a *pro rata* of a seizure for acting as informer.

Such an enactment would, in the opinion of the commission, have a salutary effect on the revenue-service. Under it, the compensation or reward to informers and seizing officers would be fixed and certain, while the limitation as to the amount they could receive for any one seizure would serve as a check to attempted abuses, abuses which, under the provisions of the original moiety act, created so much scandal, and led, no doubt, to its repeal. Under the law as suggested, collectors, naval officers, surveyors, and their deputies, also appraisers, would not participate in rewards as informers, for it is to be presumed that such officers will exert all their energies to prevent frauds on the revenue without any consideration other than a laudable ambition to perform their duty to the Government and the fixed annual compensation provided by law.

With the exception of the seeming want of care in the discharge of coal-ships before referred to, which opens a door to fraud, the commission is of the opinion that due care is taken in protecting the revenue on merchandise prior to its delivery or storage in bond, so far as the force of inspectors now employed will allow. And this leads to the inquiry whether the present organization of the force of day and night inspectors cannot be improved. Observation and the testimony of those best able to judge lead the commission to believe that the distinction between "day-inspectors" and "night-inspectors" should be done away with, and the pay of both made equal, for while the "day-inspector" may have more clerical duty to perform, requiring a higher order of talent of an educational character, the "night-inspector" has a more laborious situation, which should entitle him to the same compensation as those of the other class. The whole force should be consolidated ; then let the surveyor detail the proper proportion for duty as night-inspectors, under the charge of a captain and lieutenant as at present, and when the number are not required for night-work, let them do duty as a part of the day-force, and *vice versa*. In this way the men best adapted for each particular duty could be selected, and the whole force be made more serviceable than they can possibly be under the present organization. It is proper to remark, in this connection, that the

service required of night-inspectors at this port is of a more important character than is the case in other collection districts. Here they serve by watches, night and day, in the care, custody, and examination of passengers' baggage, &c., discharged from China steamers; they are also charged with the duty of searching ships during and after the discharge of the cargo, to see that no dutiable goods are concealed on board, and that none are taken off on the persons or in the baggage of officers, crew, and passengers. At other ports, according to the information obtained, they simply act as *night-watchmen*, to see that no cargo is discharged during the absence of the inspector, and that goods remaining on the dock at night may not be stolen.

As to the best method of boarding vessels arriving from foreign ports, and their search, the examination and certification of their papers, &c., there seems to be a difference of opinion between the customs officers and the special agents of the Treasury. A steam-tug is now employed, under the command of an officer of the revenue marine, which takes a boarding officer and places him on board each vessel coming into port. The special agents state that the service of a boarding officer is unnecessary, as the commander of the tug could perform that duty; they also state that the boarding service is performed in New York, Boston, Philadelphia, and other Atlantic ports, by officers of the revenue marine exclusively. On the other hand, the collector and surveyor state that officers of the revenue marine, if assigned to that duty, would be partially independent of the surveyor, so that in cases of irregularity or negligence, the remedy could not be as easily or promptly applied as under the present system. If, however, this service is performed in the principal Atlantic ports by officers of the revenue marine in a satisfactory manner, the commission is of the opinion that due regard to economy would suggest that the same plan be adopted for this port. But, if it should be decided to make this change, the boarding tug, with all its officers and men, should be placed under the personal control and supervision of the surveyor, who should have instructions to report any and all irregularities or inattention to duty to the collector, and power be lodged with the collector to suspend such officers, and supply the vacancy, temporarily, until others could be assigned by the Secretary of the Treasury.

It appears from the testimony of the collector and surveyor that, in consequence of the reduction in force, the practice of boarding vessels during the night has been suspended for some months past. In the opinion of the commission, this service ought to be restored without delay. In doing so, however, it will not be necessary to use the steam-tug for night-work, as a barge can perform the service as well and at much less expense.

As directly connected with the proper care and custody of merchandise before the duty is paid, the question as to the proper method of carting such goods engaged the attention of the commission, and a large number of witnesses, including the Government draymen, appeared and gave testimony touching this important subject. The system adopted in 1866, under Collector Miller, and continued until 1872, of bonding the drays of all draymen and merchants, by which each was permitted to transport dutiable merchandise between ship and bonded warehouse, from warehouse to ship when goods were re-exported in bond, or when exported for drawback, found strong advocates among draymen and merchants. On the other hand, all the custom-house officials and many prominent and reputable importers and merchants were decidedly of the opinion that such a system opens the door wide to ir-

regularities and frauds; they strongly oppose any change in the present method of performing the drayage service—employing one Government drayman, who shall, under regulations approved by the Secretary of the Treasury, have the exclusive right of carting all goods on which duty has not been paid, and those exported for drawback. Having patiently listened to and carefully considered the testimony and arguments *pro* and *con*, the commission has reached the conclusion that the interests of the Government are better secured by the present system than they would be were individual merchants and draymen permitted to bond their drays, as was the case formerly. Under existing laws, no change could be made if deemed advisable, for the mode and manner of drayage is fixed and determined by the 25th section of the act of June 22, 1874. And, in this connection, the commission begs most respectfully to call the attention of the Secretary to the section just referred to, which provides “that public cartage of merchandise in the custody of the Government shall be let, after not less than thirty days’ notice of such letting, to the lowest responsible bidder, giving sufficient security, and shall be subject to regulations approved by the Secretary of the Treasury.” It appears that the provisions of this section never have been complied with at this port. The collector, in justification of his action, or rather non-action, has furnished the commission with copies of the Secretary’s letter to him, under date of June 30, 1874, and his reply of July 14, 1874, concerning the matter, since which time no instructions have been sent by the Department, and no action looking to a due execution of the act referred to has been taken by the collector.

The terms of the act are clear and explicit, and the commission begs most respectfully to suggest that the collector be instructed to cause the public cartage to be let to the lowest responsible bidder, as provided by law. In advertising for proposals, it would be well to except merchandise discharged from ships at the wharves in front of the “Oriental,” “Hathaway’s,” “Greenwich,” and “North Point” bonded warehouses, as all goods discharged at those places can be trucked from wharf to warehouse without incurring the expense of cartage.

The business of the appraiser’s department appears to be conducted in the main in a satisfactory manner. Most of the officers and employés in that important branch of the revenue service have had the benefit of several years’ experience, and the testimony of officials, merchants, and others, goes to show that the business is conducted honestly, promptly, and faithfully; nor has the commission, after a most thorough examination, been able to obtain any evidence which would justify the belief that any of the officers connected with that department are amenable to the charge of dishonesty, incompetency, or neglect of duty. On the contrary, many reputable merchants, who appeared and testified, all concur in the opinion that no favoritism is shown, and that great care is taken to prevent undervaluation of merchandise. They further state that they have no reason to complain of competition from merchants who make importations direct to this port, but they do suffer from competition in certain lines of goods, notably silks, when such goods are entered and duties paid in New York, which leads them to believe that in invoices greatly undervalued are passed at the New York custom-house. It is also in testimony taken by the commission that some resident merchants here have discontinued their direct importations, and are now entering and paying the duties on many classes of goods of European manufacture in New York. This is, of course, not conclusive evidence of wrong-doing or carelessness in the appraiser’s department at New York, but the commission is in duty bound to state these facts, in

order to call the Secretary's attention to the subject, leaving it to the Department to take such steps as may be deemed advisable to insure greater uniformity in the appraisement of merchandise at the several ports of entry, and thus protect the interests of the Government as well as honest merchants.

The question of appraisements of damage alleged to have occurred on voyage of importation has been examined and inquired into with great care, with a view of ascertaining whether the revenue had suffered through a want of care and attention on the part of the appraisers; also, to see whether any improvements could be suggested in the mode of making damage-appraisements.

It appears, from the testimony, that, in former years, officers to whom had been confided this important duty had been guilty of gross carelessness, if nothing worse. It also appears that the attention of the Department was called to the subject by a special agent, and instructions were sent, under and by virtue of which certain re-appraisements were ordered and the errors corrected. Since then this business appears to have been conducted honestly, and with reasonable care and judgment.

This duty is one requiring great practical knowledge, judgment, and firmness on the part of the officers, to prevent fraud on the revenue; and, so far as it can be done with propriety, the discretionary power of allowing damage-appraisements to be made should be discountenanced. The provision of law directing a fixed and certain deduction to be made from the value of all invoices of sparkling wines and malt liquors, in lieu of the privilege of damage-appraisements, corrected a great abuse; and the commission recommends that the laws be amended so that similar deductions be made, in lieu of damage, on invoices of window-glass, and glass of every description, tin plates, sheet-zinc, and many other articles on which a damage-allowance is most frequently claimed. Statistics in possession of the Department will enable an accurate estimate to be made of the average damage on the articles mentioned, and a fixed allowance on such invoices as an equivalent would be just to the importer, and, at the same time, relieve the appraisers from a vast amount of labor, and remove the temptation to fraud.

Under existing laws there are two chief appraisers at this port, with co-ordinate jurisdiction and equal power. By mutual agreement, with the sanction of the collector, their duties have been segregated, each taking exclusive charge of particular classes of merchandise; and in this way the duties of the office have generally been satisfactorily performed. But the system is wrong, and should be remedied. This department, like all others, should have but *one head*, who should be held to a strict accountability for the proper conduct of all the business. The testimony of all appraisers and assistant appraisers, and that of the collector and naval officer, goes to prove that one chief appraiser can be dispensed with without detriment to the service; and the commission therefore recommends a change in existing laws which will permit a re-organization of that department in the manner indicated.

An inquiry, as directed in the Secretary's letter of instructions, as to the proper mode of sampling and classifying raw sugar, with a view of imposing a rate of duty in proportion to its value, has convinced the commission that the present mode of classification is radically defective. It is believed that a very large proportion of the raw sugars imported into the United States is first refined before actually passing into consumption, and this proportion is increasing annually. For refining purposes the value of sugar is in proportion to the crystallizable matter contained in it, and the same is true in regard to

sugar for any purpose, although that fact may not be so apparent to consumers other than refiners. The amount of crystalline matter contained in sugar can be accurately ascertained by a process known as polarization. The color given to raw sugars is more or less the result of manipulation in the process of manufacture; therefore, color, instead of furnishing a reliable test of the actual value, only tends to mislead, for it is a well-known fact that, by the addition of 1 per cent. of burnt sugar to the quantity in the process of manufacture, its *value* for revenue purposes will be diminished 25 per cent. or more. Nor can such manipulation be classed as a fraud under existing laws, for the admixture is not of a "foreign nature."

As before stated, raw sugars, in color below No. 16, Dutch standard, are chiefly imported for refining; therefore, a rate of duty corresponding to the crystalline matter contained in them, to be determined by polarization, would be equitable and just both to the Government and the refiner. Research and inquiry, added to the evidence taken, lead the commission to believe that, by the ordinary process of boiling, sugar cannot be produced in color above No. 16, Dutch standard, and that any lighter color is obtained by a process known as "*washing*," which is, according to the testimony of experts, a "refining process." As a matter of fact, however, considerable sugar is imported and entered for consumption at this port which is in color from No. 16 to No. 20, Dutch standard. Washed sugar of this description enters into consumption in competition with refined sugars of the lower grades. If, therefore, sugars suitable for refining purposes be reclassified and duty assessed according to their polarized value, it seems but just that "*washed sugars*," the marketable value of which is enhanced by the "refining process," through which they have passed prior to importation, should pay a specific duty of ——— per pound, according to their increased value on account of color, when above No. 16, Dutch standard, in addition to the duty fixed by the process of polarization. The commission earnestly recommend this subject to the careful consideration of the Secretary of the Treasury.

In respect to the subject to which the attention of the commission was directed by the sixth paragraph of your instructions, the testimony of the collector is clear and explicit; it also corresponds with and is confirmed by the evidence given by other witnesses, as well as by information obtained from other sources. In reply to questions covering the inquiry as to the manner of making appointments, and whether they have been made from political influence without due regard to efficiency, the collector stated in substance that appointments had, as a rule, been dictated by political influence, but that due regard to efficiency had always been observed when making selections for appointment. The first part of the collector's statement is hardly open to question; and, as to the latter, the testimony of witnesses, including merchants, custom-house brokers, and others whose business brings them in intimate relations with the custom-house, and who are therefore capable of forming an accurate opinion, is conclusive that the entire business is conducted in an efficient, prompt, and faithful manner, which leaves no reasonable cause for complaint. It appears that most of the clerks and employes have been in the customs-service a number of years, and, conceding the fact that their appointments were originally made from "political influence without due regard to efficiency," the experience they have had renders them capable and efficient now; therefore changes would be likely to injure, rather than benefit, the public service. As to the character and qualifications of the force of day and night inspectors, the

opinion of the commission is based on the testimony taken, which, in the main, is favorable.

In justice to the collector, it should be stated, in this connection, that the surveyor and special agents concur in stating that when cause of complaint has been found against any member of either force, the collector has uniformly dismissed the person charged with malfeasance or dereliction of duty upon the facts being reported to him.

The seventh instruction of the Secretary, directing inquiry to be made "into the operations of the treaty with Hawaii, ratified June 3, 1875, which was approved by Congress in the act passed August 15, 1876, whether the operation of the treaty, as exemplified in the importations made at San Francisco, has been beneficial to the United States; whether any goods have been exempted from duty by virtue of said treaty which the terms of the treaty do not fairly warrant," has received at the hands of the commission careful and painstaking consideration. Information from all available sources has been sought, and a large number of witnesses appeared in response to the requests of the commission and testified touching all matters bearing upon this important subject of inquiry.

It appears from statistics furnished by the collector that from September 9, 1876, the date when the treaty went into operation, to September 9, 1877, the loss to the revenue from importations the growth, product, and manufacture of the Hawaiian Islands, which were by the terms of the treaty admitted duty free, was about \$700,000. These figures, for reasons hereafter stated, should not be taken as a basis for future calculations, as the importations during the period named were no doubt in excess of the "growth and product" of that country during the same time. It is within the knowledge of the commission that large quantities of sugar, the production of the year previous, were withheld from market in Hawaii, in anticipation of the passage of the act of August 15, 1876, which subsequently sought this market and were entered duty free; there were also, at the date of the passage of the act referred to, considerable quantities of Hawaiian sugar stored in bond at this port which were subsequently re-exported to Honolulu in bond and then returned here under the operation of the treaty without being charged with duty. For these reasons alone, the importations of sugar for the year were considerably in excess of the actual product of the islands for the same period, and larger than can be expected in the future, until the sugar-producing capacity of that country is largely increased.

On the other hand, statistics prove that the exports from this port to the Hawaiian Islands during the year before referred to were in value more than double that of any previous year, and it is in evidence that nearly all these exports were the "growth, manufacture, or produce of the United States," and therefore entitled to free entry at Honolulu. Of the exports from Oregon and Washington Territory direct to Hawaii, for the same period, the commission is in possession of no accurate statistics. It is, however, probable that the exports from Pacific ports north of this have increased in a greater ratio, as those islands draw their supply of timber and lumber chiefly from those ports, between which and Honolulu it is known the direct trade has largely increased since the treaty went into operation.

It is also in evidence that the increase of trade since the passage of the act of August 15, 1876, has furnished profitable employment to an additional number of steamers and vessels, and that the benefits resulting from this increase in trade with the islands are felt in nearly all branches of commercial business. During the year under review one

steamship has been constructed at this port for the Hawaiian government, which furnishes profitable employment to a large number of mechanics, citizens, and laborers; it is also in evidence that several sailing-vessels are now in process of construction in the United States for account of merchants and other residents at the islands.

Among the witnesses summoned to appear and give testimony in respect to this subject were representative importers, merchants, and manufacturers—men of great and varied experience—and, with one single exception, all concurred in stating, in the most positive and unequivocal manner, that, in their opinion, the loss to the revenue resulting from the admission of Hawaiian products duty free would be more than counterbalanced by the benefits accruing through an increase of trade and business to ship-owners, exporters, jobbers, and manufacturers—the direct result of the operations of the treaty. Nor should the fact be lost sight of that much the larger portion of property in and commercial business of those islands is owned and controlled by American citizens resident there, so that whatever benefits that country derives from the treaty inure really to our own people, who own the property and control the business.

In regard to the last portion of your inquiry, whether any goods have been exempted from duty by virtue of said treaty which its terms do not fairly warrant, the commission is of the opinion that a fair and just construction of article first of the treaty would prohibit the importation, free of duty, of all sugar that had undergone a “refining process;” and, if “washing” is a “refining process,” all washed sugars should be subjected to duty.

The commission purposely refrains from commenting on the political considerations involved in the treaty, further than to say that they should not be overlooked or lightly regarded. But leaving entirely out of sight political considerations, and looking at the subject from a commercial stand-point solely, the commission is, after a thorough examination of the whole subject, profoundly impressed with the importance and value of the treaty to the Government and people of the United States, and would view with sincere regret any attempt made to abrogate it.

In compliance with the eighth instruction contained in the Secretary's letter, ample opportunity was afforded for making complaints “relative to the mode of conducting business, the efficiency of the service, and the conduct of the officers employed.”

A patient hearing was given to those making complaints, and all persons were summoned to appear and give evidence whose testimony it was alleged would tend to substantiate the charges made. The charges were chiefly preferred by discharged custom-house employés, who appeared to be actuated by personal malice rather than any honest desire to serve the public interests. Most of the complaints proved to be either groundless or susceptible of a satisfactory explanation; nor did the evidence produced in support of them tend, in any degree, to impress the commission that the officials accused had been neglectful of their duties or unfaithful to their trusts.

Among the numerous questions not embraced in your letter of instructions, presented for the consideration of the commission, one was, “whether the naval office, which is intended simply as a check upon the errors and delinquencies of the collector's department, is of sufficient value for that purpose to justify the expense which it entails in the way of salaries,” &c.

From the evidence for and against the retention of that department

in the customs, it appears that the chief if not the only value of the naval office is in checking and correcting errors in liquidation of invoices and in checking the moneys paid to the cashier.

All other errors likely to occur find a check either in the auditor's office, or at the adjusting-desk, when invoices are returned from the appraisers.

In justice to the naval office, it should be stated that errors amounting to a large sum have been detected in that office, as appears by a list furnished the commission; but whether these errors would have been detected in the usual routine of work in the collector's department, is the question. In the opinion of the auditor, whose position and long experience in the service qualifies him to judge, they would have been detected and corrected had there been no naval office in existence. It appears from the testimony of the naval officer and other witnesses, that a serious error occurred in the liquidation of an invoice of sugar in bond several years since, which escaped detection by the liquidating-clerk in the naval office, and was only discovered several months after the sugar was withdrawn for consumption. When the error was detected the importers of the sugar were called upon to pay the duties on the amount that had, by carelessness, escaped payment, which demand was promptly responded to, and the Government suffered no loss.

In this connection it should be stated that the liquidating-clerk in the collector's office was dismissed; a similar change in the naval office should, in the opinion of the commission, have been made after the detection of such a gross error.

As to the proper mode of liquidating invoices by the naval office, the Secretary is referred to Collector Shannon's letter to the commission, under date of September 17, 1877, in which this important subject is discussed. The collector's views touching this subject meet the approval of the commission, and instructions carrying them into effect would be likely to correct an evil that now exists.

Instances have occurred in which the collector and naval officer have disagreed as to the dutiable character of goods, and others in which they have not concurred as to proper rate of duty to be assessed. In all cases of this nature brought to the attention of the commission, the disagreement seems to have been an honest difference of opinion, and as they were referred to the Secretary, his decision finally decided the questions involved, and relieved the commission from the expression of an opinion concerning them.

After a careful consideration of the question as to the utility of the naval office, the commission has reached the conclusion that some check on the collector's department is needed, which is now supplied by that office, and the saving in expense by abolishing that office and creating another less costly one would not be sufficient to justify the change.

The present system of requiring a bond, with two sureties, who must be citizens of the United States, for each invoice when the goods are stored in bonded warehouses selected by the Government, the control of which is under storekeepers appointed by the collector, is an onerous burden on importers, and practically of no value in guarding the revenue. Merchandise in bond, being in the absolute possession of the Government, furnishes ample security for the payment of duties on the same; and the commission respectfully submits that bonds in such cases are a useless formality, and ought not to be required.

The attention of the Secretary is respectfully invited to the letters of Collector Shannon and Deputy Collector Kellogg, appended hereto. In the former will be found facts and figures in regard to the value of im-

portations entered at this port, the amount of duties collected, and the cost of collection; also, a comparison of the business of this port with that of Philadelphia, Baltimore, and New Orleans. Reference is made to the unreliability of consular certificates in furnishing evidence of the correctness of invoices, and the difficulty experienced in ascertaining the value of merchandise at the principal ports from whence it is shipped is clearly pointed out. He makes special mention of the value of the services rendered by the chief adjuster and cashier, and recommends that their compensation be increased.

In Mr. Kellogg's letter and memoranda will be found some valuable suggestions looking to an improvement of the customs-service; also statistics showing the imports and exports from and to the Hawaiian Islands for the last two fiscal years.

In conclusion, the commission has most respectfully to inform the Secretary of the Treasury, as the result of its examination and investigation, that the customs-service at this port is intelligently and efficiently performed; that no further reduction in the force is practicable without impairing its efficiency; and that, on the whole, the revenue is honestly and economically collected.

We have the honor to be, very respectfully, your obedient servants,

FREDERICK F. LOW,

HENRY L. DODGE,

H. R. LINDERMAN,

Commissioners.

The Hon. SECRETARY OF THE TREASURY,

Washington, D. C.

H. Ex. 8—10

C

HOURS OF LABOR AT NAVY-YARDS.

LETTER

FROM

THE SECRETARY OF THE NAVY,

IN ANSWER

To a resolution of the House of Representatives in relation to hours of labor at the navy-yards.

OCTOBER 31, 1877.—Referred to the Committee on Naval Affairs and ordered to be printed.

NAVY DEPARTMENT,
Washington, October 25, 1877.

SIR: I have the honor to acknowledge the receipt of the following resolution, adopted by the House of Representatives on the 22d instant:

Resolved, That the Secretary of the Navy be directed to report to this House what action has been taken, if any, in the navy-yards of the United States, in regulating the hours of labor, and whether such action has been in derogation of or compliance with section 3738 Revised Statutes, which requires that "eight hours shall constitute a day's work for all laborers, workmen, and mechanics who may be employed by or on behalf of the Government of the United States."

This act has reference to the time of labor and not to the wages to be paid. It is not supposed to be compulsory in any other sense than forbidding that laborers shall be required to work more than eight hours a day if they shall object to doing so. The interpretation put upon it by the Department is, that if a laborer is willing to contract to labor more than eight hours a day, such a contract may be properly and legitimately made with him. If he does not so contract, he cannot be compelled to work beyond the time fixed by the law, or allowed to work for less time; if it did the latter, it would deprive him of his wages for eight hours' work. And such is understood to be the decision of the Supreme Court of the United States in the case of *The United States vs. Arthur Martin*, decided at the October term, 1876. After asserting the general principle that "the hours of labor and price to be paid are left to the determination of the parties interested," the court say:

The statute of the United States does not interfere with this principle. It does not specify any sum which shall be paid for the labor of eight hours, nor that the price shall be more when the hours are greater, or less when the hours are fewer. It is silent as to everything except the direction to its officers that eight hours shall constitute a day's work for a laborer.

Again:

The statute does not provide that the employer and the laborer may not agree with each other as to what time shall constitute a day's work. There are some branches of labor connected with furnaces, foundries, steam or gas works, where the labor and the exposure of eight hours a day would soon exhaust the strength of a laborer, and render him permanently an invalid. The Government officer is not prohibited from know-

ing these facts, nor from agreeing when it is proper that a less number of hours shall be accepted as a day's work. Nor does the statute intend that where out-of-door labor in the long days of summer may be offered for twelve hours at a uniform price, the officer may not so contract with a consenting laborer.

Consequently, the court decided "that contracts fixing or giving a different length of time as the day's work are legal and binding upon the parties making them."

Adopting the interpretation of the statute thus recognized by this opinion of the Supreme Court, the Department, when labor was resumed in the navy-yards at the beginning of the present fiscal year, prescribed the rates of wages to be paid to laborers, so as to protect the interest of the Government and at the same time secure to laborers all the rights given to them by the law. This was done by leaving it discretionary with the laborers themselves to work either eight or ten hours a day as they pleased. Their wages were fixed upon the basis of ten hours a day, and they were to be paid accordingly; but if they chose to work only eight hours a day, a corresponding reduction in the wages was made. The object was to pay each laborer for the work he performed, and to require that none should be paid for work not performed. This rule was deemed necessary to secure the same kind of economy in the public expenditures which individuals practice in their own affairs; for if the price of a day's labor of eight hours in the Government navy-yards is the same as that paid in private ship-yards for ten hours, the difference will very materially prejudice the interest of the Government. During the summer months a laborer may easily work ten hours, whereas during the winter months it is sometimes undesirable to work even so much as eight hours. And where this is the case the daily pay is left unreduced.

Desiring to utilize the Government navy-yards by placing them, so far as the price of labor is concerned, as near as possible upon an equality with private ship-yards, the Department caused all who desired to be employed as laborers to be notified, before their employment, of the rates of wages it had fixed, and their precise relation to the hours of work each day. They were informed that they would not be required to work more than eight hours a day, but would be permitted to work ten if they preferred it, and that they would be paid according to the rates fixed for each number of hours. Such is the rule in all the navy-yards, and all the laborers engaged in them have been employed upon this express condition. If any have been otherwise engaged, it has been without the knowledge and consent of the Department.

There has been no difficulty in finding laborers ready and willing to occupy all the positions in the navy-yards upon these conditions, and scarcely a day passes but others express a desire to do so. There are so many of the latter as to give assurance that, if those already engaged are dissatisfied and shall decide to give up their present employment, their places can be easily and immediately filled. Under these circumstances the Department has deemed it expedient to adhere to the rule herein stated, especially as it is calculated to secure economy, and is considered not only not in derogation of the existing statute, but in precise conformity to it, as interpreted by the Supreme Court of the United States.

I have the honor to be, very respectfully,

R. W. THOMPSON,
Secretary of the Navy.

HON. SAMUEL J. RANDALL,
Speaker of the House of Representatives.

DEFICIENCIES IN POSTMASTERS' SALARIES.

LETTER

FROM

THE POSTMASTER GENERAL,

RELATIVE TO

Deficiencies in the amounts appropriated for salaries of certain postmasters for the fiscal years ended June 30, 1876 and 1877.

NOVEMBER 3, 1877.—Referred to the Committee on Appropriations and ordered to be printed.

POST-OFFICE DEPARTMENT,
Washington, D. C., November 1, 1877.

SIR: Your attention is respectfully called to the inclosed copy of a communication addressed to me by the First Assistant Postmaster-General, relative to existing deficiencies in the payment of the salaries of postmasters during the fiscal years ended June 30, 1876, and June 30, 1877, amounting in the aggregate to \$681,680.37.

As these deficiencies were created by operation of law, and are not the result of discretionary action on the part of the Department, I would respectfully suggest that the attention of the House of Representatives be directed to the matter, and that an appropriation of \$681,680.37 be made by Congress, at its present session, to enable the Auditor of the Treasury for the Post-Office Department to audit and balance the accounts of postmasters represented by said deficiency.

A communication of similar import has been addressed to the President of the Senate.

Yours, very respectfully,

D. M. KEY,
Postmaster-General.

Hon. SAMUEL J. RANDALL,
Speaker of the House of Representatives.

POST-OFFICE DEPARTMENT, APPOINTMENT OFFICE,
Washington, D. C., October 31, 1877.

SIR: It is necessary that your attention should be called to the deficiency which exists in the matter of the appropriation for the payment of postmasters' salaries for the fiscal year ended June 30, 1877, amounting

ing to \$284,283.36; and likewise to the deficiency for the same item for the fiscal year ended June 30, 1876, amounting to \$397,397.01, for which no appropriation has been made.

The act of Congress, now in force, regulating the compensation of postmasters was approved July 12, 1876, and under its provisions the commissions to which postmasters are entitled, on the amount of business done by them, are regulated entirely by law, and are not discretionary with the Department. This was likewise the case under the previous law, under whose operation a part of this deficiency was created.

For the fiscal year ended June 30, 1876, there was appropriated for compensation to postmasters	\$7,000,000 00
There was expended for this item during the same period	7,397,397 01
Leaving a deficiency to be provided for of	397,397 01
For the fiscal year ended June 30, 1877, there was appropriated for compensation to postmasters	7,000,000 00
There was expended for this item during the same period	7,284,283 36
Leaving a deficiency to be provided for of	284,283 36

As these deficiencies were created entirely by the operation of law, I would suggest that you bring the matter to the attention of the Senate and House of Representatives, and request that an appropriation of \$681,680.37 be included in the deficiency bill for the present session, to enable the Auditor of the Treasury for the Post-Office Department to audit and provide for the payment of balances due postmasters as above stated.

Yours, very respectfully,

JAMES N. TYNER,
First Assistant Postmaster-General.

Hon. D. M. KEY,
Postmaster-General.

○

PRESERVATION OF MODELS IN PATENT-OFFICE.

LETTER

FROM THE

SECRETARY OF THE INTERIOR,

IN REPLY TO

Resolution of the House of Representatives in reference to the preservation of models saved from the late fire in the Patent-Office.

NOVEMBER 12, 1877.—Referred to the Committee on Appropriations and ordered to be printed.

DEPARTMENT OF THE INTERIOR,
Washington, D. C., November 10, 1877.

SIR: In compliance with the resolution of the House of Representatives of the 2d instant, requesting that information be furnished by this Department "as to whether any legislation is necessary in order to provide for the preservation of models or parts of models saved from the late fire at the Patent-Office," I have the honor to transmit herewith a copy of a communication on the subject received from the Commissioner of Patents.

Very respectfully,

C. SCHURZ,
Secretary.

Hon. SAMUEL J. RANDALL,
Speaker of the House of Representatives.

DEPARTMENT OF THE INTERIOR, PATENT-OFFICE,
Washington, D. C., November 8, 1877.

SIR: In compliance with your instructions I have the honor to make the following report, touching the matter required by the resolution of the House of Representatives relating to models or parts of models saved from the late fire at the Patent-Office.

The number of models belonging to patents or pending applications, damaged or destroyed by the fire of the 24th of September, amounted to nearly 90,000. A very large number of these—I estimate about one-third—were wholly or mainly of metal. These metal models and parts of models, as you are aware, were rescued from the ashes and other *débris* and now lie in heaps under the temporary roof. They are blackened, corroded, and unassorted. In their present condition they are useless for any purpose whatever, and will suffer, if unattended to, from further

corrosion. These models constitute a part of the records of the patents to which they belong. They could be made, so far as they remain intact, the basis of amendments for their respective patents on reissue, and of valid claims. It is of common occurrence that they are found to contain matter not shown in the original drawing or clearly described in the specification. They are often referred to to settle questions that arise both in the office and in the courts.

Their utter destruction would be the destruction of evidence possibly, and indeed probably, in many cases of value. It seems desirable and just that they should be assorted, compared with the drawings and identified so far as possible, freed from rust and scale, polished where necessary, and put into cases and labeled as before.

And it appears to me desirable to do this with the parts of models where those parts form the subject-matter of the invention, or any considerable part thereof, and can be identified by the drawing.

Of the models and parts of models which can be thus identified and preserved for use, I think at least 10,000 may be rescued and preserved in reasonably good condition. If this be done, then the record will be preserved as far as it was possible, and will remain as evidence to the extent of its value, for the benefit of the parties specially interested or for the benefit of the public. If it should not be done, then not only would evidence of real value be lost in many cases, but the value of it in others would doubtless be magnified in the complaints of the parties interested.

It is impossible to ascertain beforehand what models or parts of models will be of importance, and the safe course would be to preserve all that can be identified. To do this, they must first be carefully selected and compared with the drawings. It will be necessary then to remove the scale and rust, and restore them, so far as can be done, without the addition of any other parts, to their former condition.

The work of cleaning and polishing these models will require some skill on the part of the workmen, and cannot be done by the present force of the office. In addition to the damage done by the fire, many thousand complicated models in the class of sewing, weaving, and spinning machines were drenched by water thrown on to extinguish the fire, and the metallic portions of them were rapidly corroded. Many of these require to be taken to pieces and polished. This also must be done by a skilled workman.

In addition to the work of cleaning the models, there will be required a large number of cases in which they may be placed after they are put in proper condition. All the cases in the north and west halls were destroyed, and there are none remaining even for present use for the models of patents newly granted. For this work, and for the cases required, I estimate that at least the sum of \$45,000 will be necessary. There are no funds now appropriated which can be used for this purpose. I am of the opinion that this work should be done, and that it will be of advantage to have it done at the earliest possible day.

I wish distinctly to state that I do not here contemplate the restoration of models or any parts thereof which have been consumed, but only to preserve in the best possible condition what remains.

Very respectfully, your obedient servant,

ELLIS SPEAR,
Commissioner of Patents.

HON. CARL SCHURZ,
Secretary of the Interior.

DIFFERENTIAL DUTY ON SPANISH VESSELS ENTERING
AMERICAN PORTS.

M E S S A G E

FROM THE

PRESIDENT OF THE UNITED STATES,

IN ANSWER TO

A resolution of the House of Representatives, transmitting reports of the Secretaries of State and of the Treasury, in reference to the differential duty imposed upon Spanish vessels entering American ports.

NOVEMBER 13, 1877.—Referred to the Committee of Ways and Means and ordered to be printed.

To the House of Representatives :

In answer to the resolution of the House of Representatives of the 5th instant, I transmit herewith reports from the Secretary of State and Secretary of the Treasury, with their accompanying documents.

R. B. HAYES.

WASHINGTON, November 12, 1877.

DEPARTMENT OF STATE,
Washington, November 12, 1877.

The Secretary of State, to whom was referred the resolution of the House of Representatives of the 5th instant, requesting the President, "if not incompatible with the public interests," to communicate to that House the correspondence with the Spanish Government and the orders and directions of the Treasury Department to the collectors of customs in relation to the recent imposition of a differential duty of fifty cents per ton on Spanish vessels entering American ports, with such information in reference thereto as he may deem necessary, has the honor to transmit herewith the correspondence exchanged on the subject, so far as the same is of record in the Department of State. This correspondence includes the circulars issued by the Treasury Department to the collectors of customs, copies of which have been communicated to the Department of State; and this report is, therefore, believed to cover the whole ground of the resolution of the House.

Respectfully submitted.

WM. M. EVARTS.

To the PRESIDENT.

List of papers transmitted by the Department of State.

No. 1. The Secretary of the Treasury to the Secretary of State. September 6, 1877.

No. 2. Circular of the Treasury Department No. 111, of August 22, 1877, in relation to the collection of tonnage-tax. (Inclosure with No. 1.)

No. 3. The Secretary of State to the Secretary of the Treasury. September 17, 1877.

No. 4. The Secretary of the Treasury to the Secretary of State. September 11, 1877.

No. 5. The Secretary of State to the Secretary of the Treasury. September 13, 1877.

No. 6. Circular to United States consuls, asking information as to tonnage-tax in foreign ports. September 17, 1877.

No. 7. The Secretary of the Treasury to the Secretary of State. September 24, 1877.

No. 8. The Secretary of State to the Secretary of the Treasury. October 1, 1877.

No. 9. Mr. Seward to Consul-General Hall. No. 407. October 1, 1877.

No. 10. The Secretary of State to the Secretary of the Treasury. October 16, 1877.

No. 11. Consul-General Hall to Mr. Seward. No. 616. Havana, October 8, 1877.

No. 12. Table of tonnage, or navigation or port dues, in force in Cuba since 1867.

No. 14. Notice of abolition of discriminating tonnage dues on United States vessels under order of March, 1869.

No. 15. The Secretary of State to the Secretary of the Treasury. October 19, 1877.

No. 16. Mr. Lowell to Mr. Evarts. Telegram. Madrid, October 17, 1877.

No. 17. The Secretary of the Treasury to the Secretary of State. October 22, 1877.

No. 18. Circular of the Treasury Department No. 118, of September 7, 1877. Schedule of rates of tonnage-tax. (Inclosure No. 2 with No. 17.)

No. 19. Mr. Lowell to Mr. Evarts. Telegram. Madrid, October 22, 1877.

No. 20. The Secretary of State to the Secretary of the Treasury. October 29, 1877.

No. 21. Mr. Evarts to Mr. Lowell. Telegram. October 25, 1877.

No. 22. Mr. Lowell to Mr. Evarts. Telegram. Madrid, October 27, 1877.

No. 23. The Secretary of the Treasury to the Secretary of State. October 31, 1877.

No. 24. Circular of the Treasury Department No. 130, of October 29, 1877. (Inclosure in No. 23.)

No. 25. Mr. Seward to Mr. Lowell. No. 21. October 30, 1877.

No. 26. Mr. Mantilla to Mr. Evarts. October 19, 1877. (With inclosures.)

No. 27. Mr. Evarts to Mr. Mantilla. October 26, 1877.

No. 28. The Secretary of State to the Secretary of the Treasury. November 2, 1877.

No. 29. Mr. Evarts to Mr. Mantilla. November 2, 1877.

No. 30. Mr. Evarts to Mr. Lowell. No. 25. November 2, 1877.

No. 31. The Secretary of State to the Secretary of the Treasury. November 2, 1877.

No. 32. Consul-General Hall to Mr. Seward. No. 621. Havana, October 24, 1877. (Inclosure with No. 31.)

No. 33. Mr. Mantilla to Mr. Evarts. November 6, 1877.

List of papers transmitted by the Treasury Department.

No. 34. The Secretary of the Treasury to the President. November 7, 1877.

No. 35. Mr. Lydecker to the Secretary of the Treasury. New York, September 22, 1877.

No. 36. Mr. French to the collector of customs at New York. Washington, September 24, 1877.

No. 37. Mr. French to the collector of customs at Savannah. Telegram. Washington, October 29, 1877.

No. 38. Mr. French to the collector of customs at New York. Washington, October 29, 1877.

No. 39. Mr. French to the collector of customs at Charleston. Telegram. Washington, October 29, 1877.

No. 40. The same to the same. Telegram. Washington, October 29, 1877.

No. 41. Mr. French to the collector of customs at New Orleans. Washington, October 29, 1877.

No. 1.

5984.]

TREASURY DEPARTMENT,
September 6, 1877.

SIR: I have the honor to call your attention to section 4219 of the Revised Statutes, as amended by the act of February 27, 1877, as far as relates to the payment of tonnage-tax upon foreign vessels.

The part of the paragraph referred to is marked [inclosed in brackets] on the accompanying circular of this department, dated August 22, 1877.

Please inform me what nations, by their treaties, have secured for their vessels the payment of the same amount of tonnage-tax as is levied on our own, viz, 30 cents.

Very respectfully,

JOHN SHERMAN,
Secretary.

Hon. WM. M. EVARTS,
Secretary of State.

No. 2.

CIRCULAR.

Law relating to the collection of tonnage-tax.

TREASURY DEPARTMENT,
Washington, D. C., August 22, 1877.

To the collectors of customs and others:

The attention of collectors and other officers of the customs is hereby called to the following paragraph, contained in "An act to perfect the revision of the Statutes of

the United States, and of the statutes relating to the District of Columbia," approved February 27, 1877. (U. S. Statutes at Large, vol. 19, p. 250:)

"Section forty-two hundred and nineteen is amended by substituting therefor the following:

"Upon vessels which shall be entered in the United States from any foreign port or place, there shall be paid duties as follows:

"On vessels built within the United States, but belonging wholly or in part to subjects of foreign powers, at the rate of thirty cents per ton; on other vessels not of the United States, at the rate of fifty cents per ton.

"Upon every vessel not of the United States which shall be entered in one district from another district, having on board goods, wares, or merchandise taken in one district to be delivered in another district, duties shall be paid at the rate of fifty cents per ton. Nothing in this section shall be deemed in any wise to impair any rights or privileges which have been or may be acquired by any foreign nation under the laws and treaties of the United States relative to the duty of tonnage on vessels. On all foreign vessels which shall be entered in the United States from any foreign port or place, to and with which vessels of the United States are not ordinarily permitted to enter and trade, there shall be paid a duty at the rate of two dollars per ton; and none of the duties on tonnage above mentioned shall be levied on the vessels of any foreign nation if the President of the United States shall be satisfied that the discriminating or countervailing duties of such foreign nations, so far as they operate to the disadvantage of the United States, have been abolished.

["In addition to the tonnage-duty above imposed, there shall be paid a tax, at the rate of thirty cents per ton, on vessels which shall be entered at any custom-house within the United States from any foreign port or place; and any rights or privileges acquired by any foreign nation under the laws and treaties of the United States relative to the duty of tonnage on vessels shall not be impaired;] and any vessel, any officer of which shall not be a citizen of the United States, shall pay a tax of fifty cents per ton."

Upon the collection of the tax referred to in the above paragraph, the form of certificate to be issued on payment of the tax will be substantially the same as that numbered 492 in the Catalogue of Forms; but they will hereafter be furnished in consecutive numbers in books. Each of these books will contain a certain number of certificates with stubs, and each book of stubs will be returned to the Department as soon as the certificates therein, corresponding to the stubs, shall all have been issued.

Collectors will be charged with the certificates issued to them according to the numbers they bear, and they will be credited with the stubs returned. Should any certificate be accidentally rendered unfit for use, it will be preserved, and returned with the book of stubs.

The issue of the numbered certificates will commence on the first day of October next.

The Department circular of March 24, 1874, relative to the taking up of original certificates, the issue of copies of the same with the proper indorsement, and the return to the Department of original certificates when surrendered, will continue in force, and will be carefully observed.

R. C. McCORMICK,
Acting Secretary of the Treasury.

No. 3.

DEPARTMENT OF STATE,
Washington, September 17, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 6th instant in relation to the payment of tonnage-tax upon foreign vessels.

Upon examination of the several commercial treaties between this Government and foreign powers, it is believed that the list hereto appended comprises all the nations which, by treaty stipulation, have secured for their vessels the payment of tonnage-duties no greater in amount than may be levied on vessels of the United States.

I have the honor to be, sir, your obedient servant,

F. W. SEWARD,
Acting Secretary.

Hon. JOHN SHERMAN,
Secretary of the Treasury.

Powers with favored-nation clause as to tonnage.

Argentine Republic.
 Austria.
 Belgium.
 Chili.
 Colombia.
 Costa Rica.
 Denmark.
 Dominican Republic.
 Ecuador.
 France.
 Great Britain.
 Greece.
 Hanover.
 Hanseatic Republic.
 Hawaiian Islands.
 Hayti.
 Honduras.
 Italy.
 Liberia.
 Madagascar.
 Mecklenburg-Schwerin.

Mexico.
 Bolivia.
 Brazil.
 Central America.
 Morocco.
 Muscat.
 New Granada.
 Netherlands.
 Nicaragua.
 Paraguay.
 Peru.
 Portugal.
 Russia.
 Prussia.
 San Salvador.
 Sweden and Norway.
 Swiss Confederation.
 Tripoli.
 Turkey.
 Two Sicilies.
 Venezuela.

No. 4.

5984.]

TREASURY DEPARTMENT,
 OFFICE OF THE SECRETARY,
 September 11, 1877.

SIR: I have the honor to request that you will obtain for the information of this department, through the consuls of the United States with the various maritime powers of the world, reports showing the rates of tonnage-tax exacted on the vessels of those nations arriving at their ports, with detailed statements of all the charges on American vessels upon clearance and entry.

Very respectfully,

JOHN SHERMAN,
Secretary.

Hon. WM. M. EVARTS,
Secretary of State.

No. 5.

DEPARTMENT OF STATE,
 Washington, September 13, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 11th instant, and to inform you in reply that agreeably to your request the necessary instructions will be issued to the proper consuls to obtain the information which you desire respecting the exaction of tonnage-taxes on foreign vessels entering the ports of the various maritime powers of the world.

I have the honor to be, sir, your obedient servant,

WM. M. EVARTS.

Hon. JOHN SHERMAN,
Secretary of the Treasury.

No. 6.

CIRCULAR.

DEPARTMENT OF STATE,
Washington, September 17, 1877.

To _____,

Consul of the United States :

SIR: I have to inform you of the receipt of a letter from the Secretary of the Treasury, bearing date of the 11th instant, and requesting to be furnished, through the consuls of the United States stationed in the various maritime countries of the world, with information respecting the amount of tonnage-tax collected in those countries on foreign vessels.

You are accordingly directed to prepare, as soon as practicable, a report showing the rates of tonnage-tax exacted on the vessels of the different maritime powers entering the port of _____, which should be accompanied with detailed statements of all the charges on American vessels upon clearance and entrance.

I am, sir, your obedient servant,

F. W. SEWARD,
Acting Secretary.

No. 7.

6144.]

TREASURY DEPARTMENT,
September 24, 1877.

SIR: I have the honor to inform you that the collector of customs at New York reports that he has learned that vessels of the United States at the ports of Cuba are charged, under most circumstances, \$1.30 or \$1.35 per ton; but he is not aware whether Spanish vessels are subjected to a similar charge.

I have to request that you will ascertain the amount of tonnage-tax exacted on American vessels and on Spanish vessels in the ports of Cuba, and the amount of tonnage exacted on Spanish and American vessels, respectively, in the ports of the mother country.

If the report of the collector shall be confirmed, this department desires to know when the exaction of tonnage-tax at that rate commenced and on what grounds that particular sum was selected. And should there be found a difference in the amount of tonnage-tax paid by Spanish vessels in Spanish ports not colonial, and by American vessels in the same ports, it would be well to ascertain also when such charges were first made, and the reason alleged for fixing the amount, and for maintaining the difference on the vessels of the two nations. See section 4231, Revised Statutes.

Very respectfully,

JOHN SHERMAN,
Secretary.

Hon. WM. M. EVARTS,
Secretary of State.

No. 8.

DEPARTMENT OF STATE,
Washington, October 1, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 24th ultimo, in reference to the exaction in the ports of Cuba of a ton-

nage-tax at the rate of \$1.30 or \$1.35 per ton on American vessels, in which you request to be informed respecting the amount of such tax exacted in the ports of Cuba, and those of the mother country.

In reply, I have to state that the necessary instructions have been given to the consular officers of the United States in Cuba and Spain, to ascertain and report the information you desire on the subject in question.

I have the honor to be, sir, your obedient servant,

WM. M. EVARTS.

Hon. JOHN SHERMAN,
Secretary of the Treasury.

No. 9.

No. 407.]

DEPARTMENT OF STATE,
Washington, October 1, 1877.

SIR: I have to inform you of the receipt of a letter from the Secretary of the Treasury, dated the 24th ultimo, stating that it has been represented that American vessels in the ports of Cuba are charged a tonnage-tax of \$1.30 or \$1.35 per ton. Inasmuch, however, as he is not aware whether Spanish vessels are subjected to a similar tax, he desires to be informed of the exact amount of tonnage-tax collected in said ports on American and Spanish vessels.

You are accordingly directed to make the necessary inquiries of the consular officers in Cuba on this subject, and, should you find that the matter has been correctly represented to the Treasury Department, to report the date on which the exaction of tonnage-tax at the rate referred to commenced, and on what grounds that particular sum was selected.

In this connection your attention is invited to section 4231, Revised Statutes.

I am, sir, your obedient servant,

F. W. SEWARD,
Assistant Secretary.

HENRY C. HALL, Esq.,
Consul-General of the United States, Havana, Cuba.

No. 10.

DEPARTMENT OF STATE,
Washington, October 16, 1877.

SIR: Referring to your letter of the 24th ultimo, requesting information respecting the collection of tonnage-fees on American and Spanish vessels in the ports of Cuba, and the reply thereto of the 1st instant, I have the honor to submit herewith a copy of a dispatch dated the 8th instant, received from the consul-general of the United States at Havana, in reference to the subject in question, together with a copy of the pamphlet entitled, "The Cuban Tariffs."

I have the honor to be, sir, your obedient servant,

WM. M. EVARTS.

Hon. JOHN SHERMAN,
Secretary of the Treasury.

[Inclosures.]

Dispatch No. 616 from consul-general at Havana; copy.
One copy of "Cuban Tariffs."

No. 11.

No. 616.]

UNITED STATES CONSULATE-GENERAL,
Havana, October 8, 1877.

SIR: I have received your instruction No. 407, of the 1st instant, advising me that the Secretary of the Treasury desires to be informed of the exact amount of tonnage-dues collected in the ports of Cuba on American vessels, and whether the same tax is collected on Spanish vessels.

In answer, I have to inform you that, as far as I am aware, the same tonnage-tax is charged alike on American and Spanish vessels in all the ports of this island.

The assimilation took effect on the 15th May, 1869, as appears by an order of the intendencia dated the 13th, which I find published in the "Boletin Commercial" of the 18th of the same month. The same order was probably published in the "Gaceta Oficial," of the 15th or 16th May, 1869, of which files have not been retained in this consulate. A copy and translation of the order is herewith transmitted.

The tonnage-tax referred to is as follows:

On vessels arriving and departing with cargo, \$1.35 per ton.

On vessels arriving with cargo and leaving in ballast, \$1.30 per ton.

On vessels arriving in ballast and leaving with cargo, \$1 per ton.

On vessels arriving and departing in ballast, .05 per ton.

Vessels bringing cargoes of coal to the extent of their register tonnage are exempted from the payment of tonnage-dues.

For further details I beg to refer to the regulation on page 15 of the accompanying pamphlet, of which I transmit two copies, one for the Treasury Department.

It is over eight years since the assimilation referred to took place. During that period I have never heard that in the collection of the said tonnage-dues any discrimination has ever been made in favor of Spanish vessels over vessels of the United States, and I am quite sure I would have been advised of it if there had been any such discrimination.

It would have been not only a breach of faith but a direct violation of the laws and regulations in force.

I am, sir, very respectfully, your obedient servant,

HENRY C. HALL,
Consul-General.

Hon. F. W. SEWARD,
Assistant Secretary of State, Washington.

[Inclosures.]

Order of the intendency-general of Cuba, dated 13th May, 1869, equalizing the tonnage-tax on American vessels with that paid on Spanish vessels.

Two copies of the Cuban Tariff, containing, on page 15, the tariff of tonnage-dues.

[Inclosure No. 1 with dispatch No. 616.—Translation.]

[From the "Boletin Comercial," of Havana 18th May, 1869.]

INTENDENCY-GENERAL OF FINANCE, CENTRAL BUREAU OF CUSTOMS.

His excellency the minister of the colonies (ultramar) has been pleased to order by telegram, received on this day, that the vessels of the United States be placed upon the same footing, as regards navigation and port dues, with Spanish vessels; this concession to take effect from the 15th instant.

Which, in accord with his excellency the intendente-general of finance, is announced in the Gaceta Oficial for public information.

Havana, 13th May, 1869.

JOSE CANOVAS DEL CASTILLO.

No. 12.

Tonnage or navigation or port dues in force since March, 1867.

1st. Foreign vessels, arriving and leaving with load, will pay for each ton, according to their measurement	\$2 35
Spanish vessels, according to their measurement	1 35
2d. Foreign vessels, arriving loaded and leaving in ballast, will pay for each ton, according to their measurement	2 30
Spanish vessels, according to their measurement	1 30
3d. Foreign vessels, arriving in ballast and leaving loaded, will pay for each ton of their measurement	2 00
Spanish vessels, as above, will pay	1 00
4th. Foreign vessels, arriving loaded with coals, having on board an equal amount of tons, or more than the tons expressed in their license or register, although bringing other load as complement	50
Spanish vessels, in same case	0 00
Foreign vessels, arriving with coals only, but in smaller quantity than they can carry, will pay for each ton occupied by the coal	0 50
And for each unoccupied ton	1 50
Spanish vessels, in same cases, will pay for each ton occupied. And for each ton unoccupied	0 00 62
Foreign vessels, arriving with coals in smaller amounts than that which they can carry, and have other goods or merchandise on board in any quantity, will pay for each ton of coals. And for each other ton	1 35 2 35
Spanish vessels, in same cases, will pay for each ton of coals. And for each other ton	73 1 35
5th. Foreign vessels, arriving in ballast and leaving completely loaded with molasses, will pay for each ton measurement...	50
Spanish vessels, in this case	37
6th. Foreign vessels, arriving in ballast and leaving with native products, will pay for each ton of cargo	2 00
And for each ton in ballast	05
Spanish vessels, in same cases, will pay for each ton of cargo. And for each ton in ballast	1 00 05
7th. Foreign vessels, arriving and leaving in ballast, will pay for each ton measurement	05
Spanish vessels, in same case	05
8th. Foreign vessels, which "put in" or arrive with damages, or on account of stress of weather, or for want of provisions, &c., will pay for each ton measurement	05
Spanish vessels, in same case	05
9th. Steamships making periodical voyages to ports of the island, whatever their nationality and port of sailing may be, will be dispensed of paying duties, provided they do not bring or take away more than six tons of cargo. The said ships will be dispatched with preference to others when they shall carry mails.	
10th. Foreign steamships which may concur in the above-mentioned circumstances, but that bring or take away more than six tons of cargo, will pay for each ton in excess of the said six	1 60
Spanish steamships, in same case	62½

11th. Spanish mail-steamships will pay in accordance with their contracts with the government.

12th. When the steamships arriving cannot be included in those referred to in articles 9th, 10th, and 11th, they will pay according to port of sailing and flag, and the tons occupied by the machinery and coal-bunkers will be deducted from the total measurement, for the payment of duties.

Since the 15th of May, 1869, American vessels pay no higher tonnage-dues than are paid by Spanish vessels.

No. 14.

Abolition of discriminating tonnage-dues on vessels of the United States, order of March, 1869.

The minister of the colonies has been pleased to order by telegraph that the vessels of the United States be placed on the same footing as Spanish vessels for the payment of tonnage, or navigation and port dues, on and after the 15th March, 1869, in the ports of Cuba.

No. 15.

DEPARTMENT OF STATE,
Washington, October 19, 1877.

SIR: I have the honor to inclose herewith a copy of a telegram just received from Mr. James Russell Lowell, United States minister to Madrid, in relation to tonnage duties on Spanish ships, and to suggest the necessity of an early reply.

I have the honor to be, sir, your obedient servant,

WM. M. EVARTS.

Hon. JOHN SHERMAN,
Secretary of the Treasury.

[Inclosures.]

Mr. Lowell to Mr. Evarts, October 17, 1877. Telegram; copy.

No. 16.

[Telegram.]

MADRID, *October 17, 1877.*

EVARTS, *Secretary, Washington:*

What foundation is there for the report current that the tonnage-duties on Spanish shipping have been increased?

LOWELL, *Minister.*

No. 17.

6211.]

TREASURY DEPARTMENT,
Washington, D. C., October 22, 1877.

SIR: I have the honor to acknowledge the receipt of your communication of the 19th instant, inclosing a copy of a telegram from the United

States minister at Madrid, under date of the 17th instant, and requesting an early answer.

I would say, in reply, that by an act of Congress, approved on the 25th of February last, (U. S. Statutes at Large, vol. 19, p. 250,) the provisions of section 4219 Revised Statutes, relative to the collection of the tax on tonnage, were so modified as to require a publication of the statute, for the guidance of collectors of customs. This was done in circulars of this department, Nos. 111 and 118, of the respective dates of the 22d of August and the 7th of September last.

On a careful analysis of the last statute, it was found that vessels of foreign build, owned wholly or in part by subjects of foreign powers, became liable to a tax of eighty (80) cents per ton, unless exempted by treaty from a tax exceeding thirty cents per ton. It became necessary, therefore, to specify in a circular the nations whose treaties relieved their vessels from any tax exceeding that levied on American vessels. A catalogue of the powers whose shipping was thus exempted was communicated to this department in a letter from the Department of State, under date of the 17th ultimo. In this catalogue the name of Spain did not appear; and it is possible that the names of other nationalities, not exempt from a tonnage-duty of eighty cents per ton on their vessels, were omitted. Though, therefore, under the special provisions contained in section 4231 Revised Statutes, Spanish vessels making entry in ports of this country were exempted from the payment of any higher duties than those levied on vessels of the United States, the passage of the act of February 27, 1877, made it incumbent upon this department to direct the collection of eighty cents per ton on *all* vessels not exempted by special treaty from the payment of a tax exceeding thirty cents per ton.

But in the circular (No. 118) containing these instructions collectors were particularly directed, whenever demands should be made for the payment of the tax of eighty cents, to notify masters of foreign vessels of their right to protest and appeal, in order to reserve any rights of exemption that might accrue under treaty provisions not known to this department. The circular had reference to *all* vessels not protected by treaty, and not specially to Spanish vessels.

On the 24th ultimo the Department of State was requested to ascertain whether any discriminating duties of tonnage were levied on *Spanish* vessels in Spain or Cuba or other portions of the Spanish dominions. In a communication from the Department of State, of the 16th instant, this department is informed that no discriminating tonnage-duty is levied on vessels of the United States in the ports of Cuba, but whether such discriminating tonnage-duty is levied in other ports of the Spanish dominions this department is not informed.

You will, however, observe that the act of February 27th does away with the tax of fifty cents per ton, levied in excess of ordinary tonnage-rates, upon the vessels of any foreign nation, provided the President shall be satisfied that such nation has abolished any discriminating duties of tonnage that it may have exacted to the disadvantage of the United States.

If the minister of Spain shall give such assurance as will satisfy the President that no discriminating duties are *now* levied on vessels of the United States in ports of the dominions of Spain, this department will direct its collectors to exact no higher duties than thirty cents per ton on Spanish vessels, on being informed that a proclamation has been at any time issued by the President declaring Spanish vessels exempt

from a higher duty, or upon being informed that no such proclamation is necessary as a preliminary step to the issue of such order.

Copies of the circulars Nos. 111 and 118 are herewith inclosed.

Very respectfully,

JOHN SHERMAN,
Secretary.

Hon. WM. M. EVARTS,
Secretary of State.

No. 18.

CIRCULAR.

Schedule of rates of tonnage-tax.

THE TREASURY DEPARTMENT,
Washington, D. C., September 7, 1877.

To collectors of customs and others:

So many questions have arisen in regard to the amount of tonnage-tax to be collected of vessels entering the ports of the United States from foreign ports that the department herewith promulgates a schedule of rates as deduced from its interpretation of the act of February 27, 1877, (U. S. Statutes at Large, vol. 19, p. 250,) in so far as the act amends section 4219 of the Revised Statutes.

The rates appended to the several classes of vessels hereinafter described will be paid on their entry at any custom-house of the United States from any foreign port or place, as provided in section 4223, Revised Statutes:

1. Vessels of the United States, properly documented, thirty (30) cents per ton.

2. Vessels built in the United States, but belonging wholly or in part to subjects of foreign powers, sixty (60) cents per ton, unless, under treaty provisions, they can claim exemption from all tax exceeding thirty (30) cents per ton.

3. Vessels of foreign build, owned wholly or in part by subjects of foreign powers, eighty (80) cents per ton, unless, under treaty provisions, they can claim exemption from any tax exceeding thirty (30) cents per ton.

4. Vessels entirely of American ownership, but undocumented, one dollar and thirty cents (\$1.30) per ton.

5. Vessels belonging to citizens of foreign nations that prohibit vessels of the United States from trading with their respective dominions, two dollars (\$2) per ton on every entry, and thirty (30) cents per ton additional, once every twelvemonth.

6. Vessels of the United States properly documented, any of whose officers shall not be citizens, fifty (50) cents per ton.

Besides the tonnage-tax levied on vessels entering the ports of the United States from foreign ports, the paragraph of the act of February 27, 1877, which amends section 4219 imposes on every vessel not of the United States a tax of fifty (50) cents per ton on her entry in one district from another district.

This tax accrues both on (1) undocumented vessels entirely of American ownership and (2) on vessels belonging wholly or in part to subjects of foreign powers. On the former class, the tax of fifty (50) cents per ton is additional to, and exclusive of, the penal tonnage-tax of one dol-

bar and thirty cents (\$1.30) per ton which such vessel may incur under section 4371 Revised Statutes. The latter class of vessels, if found transporting cargo in the manner described, would forfeit the cargo, if domestic goods, under section 4347 Revised Statutes, and would, besides, become liable to the tax of fifty (50) cents per ton, unless exempt by treaty.

The vessels of the powers hereinafter enumerated as being exempt under treaty provisions will pay a tax of but thirty (30) cents per ton in ordinary cases of their entry at ports of this country from foreign ports, and no additional tax when trading between district and district. On vessels of foreign nations not found in the following list, a tonnage-tax of sixty (60) cents per ton, if they are of American build, or eighty (80) cents per ton if of foreign build, (provided they do not fall in class above described,) will be collected, until further orders, on entry, once every twelvemonth; but their masters should be notified of their privilege to protest and appeal, that they may avail themselves of such rights as they may possess under treaty provisions.

NATIONS WHOSE VESSELS ARE EXEMPT UNDER TREATY PROVISIONS
FROM A TAX EXCEEDING THIRTY (30) CENTS PER TON.

Argentine Confederation.	Liberia.
Austria.	Madagascar.
Belgium.	Mecklenburg-Schwerin.
Bolivia.	Mexico.
Brazil.	Morocco.
Central America.	Muscat.
Chili.	New Granada.
Colombia.	Netherlands.
Costa Rica.	Nicaragua.
Denmark.	Paraguay.
Dominican Republic.	Peru.
Ecuador.	Portugal.
France.	Prussia.
Great Britain.	Russia.
Greece.	San Salvador.
Guatemala.	Sweden and Norway.
Hanover.	Swiss Confederation.
Hanseatic Republics.	Tripoli.
Hawaiian Islands.	Turkey, (Ottoman Empire.)
Hayti.	Two Sicilies.
Honduras.	Venezuela.
Italy.	

JOHN SHERMAN,
Secretary of the Treasury.

No. 19.

[Telegram.]

MADRID, October 22, 1877. (Received October 23, 1877.)

EVARTS, *Secretary, Washington:*

Request is made by the Spanish minister of state to suspend the collection of extra tonnage charges on Spanish ships while the negotiations are pending.

LOWELL.

No. 20.

DEPARTMENT OF STATE,
Washington, October 29, 1877.

SIR: Referring to your letter of the 22d instant, relative to tonnage-dues between this country and Spain, I have the honor to inclose herewith a copy of a telegram addressed to Mr. Lowell, United States minister at Madrid, dated the 25th instant, together with a copy of his reply.

I am, sir, your obedient servant,

WM. M. EVARTS.

Hon. JOHN SHERMAN,
Secretary of the Treasury.

No. 21.

[Telegram.]

WASHINGTON, October 25, 1877.

LOWELL, *Minister, Madrid:*

An act of Congress passed in February last imposed a tax of eighty cents per ton on foreign vessels, except when exempted by treaty from the payment of more than thirty cents per ton. Should the Spanish Government assure the President that in no Spanish port are vessels of the United States subjected to discriminating duties, this Government will not levy more than thirty cents per ton upon Spanish vessels. It is impossible to suspend the collection of the tax, but the right of protest and appeal is reserved to shipmasters.

EVARTS, *Secretary.*

No. 22.

[Telegram.]

MADRID, October 27, 1877. (Received October 27, 1877.)
(Urgent.)

EVARTS, *Secretary, Washington:*

Assurance is given by the minister of state that no differential duties are collected from vessels of the United States in any Spanish port, peninsular or colonial.

LOWELL, *Minister.*

No. 23.

6226.]

TREASURY DEPARTMENT,
October 31, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 29th instant, relative to the question of tonnage-dues exacted on Spanish vessels in American ports, and inclosing a copy of a telegram by the Department of State to Mr. Lowell, the American minister at Madrid, stating that if Spain assured the President that no discriminating duties were levied on United States vessels in Spanish ports, this

Government would not tax Spanish vessels more than thirty cents. You also transmit a copy of Mr. Lowell's reply, in which it is said that the Spanish minister had assured him that no differential duties were levied in any Spanish port, peninsular or colonial, on American vessels.

This Department, therefore, accepted the assurance of the Spanish government, and issued Circular No. 130 to collectors of customs and others, dated October 29, 1877, instructing them to collect only thirty cents per ton tonnage tax on Spanish vessels in American ports, as American vessels in Spanish ports paid no other or higher duties on tonnage than Spanish vessels.

The Department also authorized collectors to transmit certified statements in all cases where eighty cents per ton had been paid under protest at their ports on Spanish vessels, in order that the excess of fifty cents per ton may be refunded. I inclose herewith, for the use of the Department of State, a dozen copies of the circular in question.

Very respectfully,

R. C. McCOORMICK,
Acting Secretary.

Hon. WM. M. EVARTS,
Secretary of State.

No. 24.

CIRCULAR SUPPLEMENTAL TO CIRCULAR NO. 118, OF SEPTEMBER 7, 1877.

Tonnage-tax of 30 cents per ton to be exacted on Spanish vessels.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, D. C., October 29, 1877.

To collectors of customs and others :

The following telegram to the Department of State, from the minister of the United States at Madrid, dated October 27, 1877, has been communicated to this Department, viz:

"The minister of state assures me that no differential duties are levied in any Spanish port, peninsular or colonial, on American vessels."

In pursuance of this assurance, that American vessels, in Spanish ports, pay no other or higher duties on tonnage than Spanish vessels, hereafter only 30 cents per ton tonnage-tax will be collected on Spanish vessels in American ports.

Collectors of customs are authorized and directed to transmit certified statements in all cases of the exaction at their ports, under protest, of tonnage-tax on Spanish vessels at the rate of 80 cents per ton, in order that the excess of 50 cents per ton may be refunded.

JOHN SHERMAN, *Secretary.*

No. 25.

No. 21.]

DEPARTMENT OF STATE,
Washington, October 30, 1877.

SIR: Referring to the Secretary's telegram to you of the 25th instant, respecting tonnage-duties laid by law on foreign vessels, I have now to inclose for your information, a copy of a note dated the 19th instant, addressed to the department by Mr. Mantilla, the minister of Spain

here resident, upon the same subject, together with a copy of the note of this department of the 26th instant in reply thereto.

I am, sir, your obedient servant,

F. W. SEWARD,
Acting Secretary.

JAMES RUSSELL LOWELL, Esq.

[Inclosures.]

Note of Mr. Mantilla.

Note of the department.

No. 26.

LEGACION DE ESPAÑA EN WASHINGTON,
NEW YORK, *October 19, 1877.*

The undersigned, envoy extraordinary and minister plenipotentiary of His Catholic Majesty, has the honor to invite the attention of the Secretary of State of the United States to the recent sudden increase in the charges on tonnage which are now levied in the United States on Spanish vessels entering therein.

From March, 1869, and until within a few days, the vessels of Spain have at those ports only been subjected to tonnage-charges at the rate of thirty cents per ton, but very recently the collectors, as in the case of the *Tuana*, at New York, September 21, 1877, have exacted of Spanish vessels eighty cents on each ton, not as a tax, but as a "tonnage duty," while on vessels of the United States, officered by her citizens, a "tax" of only thirty cents per ton is levied.

This sudden and great increase has naturally excited surprise and worked serious injury and hardship among Spanish owners, who took freights in utter ignorance of any purpose at these ports to so increase such tonnage-charges and discriminate so harshly against the flag they bore. And my government at Madrid finds itself utterly at loss how to explain to its ship-owners either the cause or purpose of this new exaction.

The only warrant to which the undersigned has been referred for imposing this grievous charge is a circular of the Treasury Department, addressed to collectors of customs and others, under date of September 7, 1877, and purporting to be based on its "interpretation of the act of February 27, 1877. (U. S. Statutes at Large, vol. 19, p. 250.)"

There, however, appears to the undersigned to be nothing in this law which touches tonnage duties or tonnage-taxes on Spanish vessels, inasmuch as they are in such matters regulated by section 4231 of the Revised Statutes. The law of February 27, 1877, only professes to amend section 4219 of those statutes, and it leaves section 4231 untouched. To the undersigned, it does not seem to be possible for the custom authorities of the United States, acting under section 4231, to exact in their respective ports any other or greater duties or taxes on the tonnage of Spanish vessels than is exacted of American vessels in such American ports, inasmuch as Spain does not now inflict in her ports discriminating or countervailing duties, or charges of any kind, on the tonnage of vessels of the United States.

This section, 4231, reads thus: "From Spanish vessels coming from any port or place in Spain or her colonies, where no discriminating or countervailing duties on tonnage are levied upon vessels of the United States, or from any other port or place to and with which vessels of the United States are ordinarily permitted to go and trade, there shall be

exacted in the ports of the United States no other or greater duty on tonnage than at the time may be exacted of vessels of the United States."

In the examination which the undersigned has been able to make of the laws of the United States, he finds that the words "duties" and "taxes," as applied to tonnage, are synonymous in meaning. The illustrious Story, in his treatise on the American Constitution, (§ 952,) says that the word "duties" is, "in its large sense, very nearly an equivalent to taxes, embracing impositions or charges levied on persons or things." Therefore, the undersigned cannot think that Congress intended to say to Spain that by using the word "tax" in the law of February, 1877, the United States could or would inflict burdensome discriminating charges on Spanish tonnage, which could not and ought not to be inflicted if named "tonnage-duty."

He finds that in the shipping and tonnage legislation of this nation, the phrases tonnage-duty and tonnage-tax are used indiscriminately to mean the same thing. And so in treaties with foreign nations, as in the case of the one with Italy, of February 26, 1871, the phrase is "tonnage, anchorage, and clearance duties," and the Treasury Department, in its circular of September last, concedes that the word "duties" in that treaty includes tonnage-taxes.

The undersigned is informed that the highest judicial tribunals of the United States have declared that a tax laid according to the tonnage-measurement of a vessel is a "duty of tonnage;" that all taxes, according to cubic measurement of vessels, are tonnage-duties, and that "tonnage-duties are as much taxes as duties on imports or exports." And for such declaration by the court he is referred to page 204 of the 12th volume of Wallace's Reports.

If it be otherwise in the jurisprudence of the United States, and tonnage-duties do not cover tonnage-taxes, then it is obvious that no tonnage-duty whatever is, under section 4219, as amended in February, 1871, imposed on American vessels, and, therefore, by section 4231, none can be inflicted on Spanish vessels.

But the undersigned does not resist the imposition of the new tax on any such narrow ground. He refers to the sentence in the law of February, 1877, imposing that tax, which declares, in substance, that it shall not impair any right or privilege acquired by Spain relative to tonnage-duty "under the laws and treaties of the United States." Spain has no formal treaty on this subject concluded with the United States; but she has the "law" of 1869, as declared in section 4231 of the Revised Statutes, and that law was preceded by solemn diplomatic negotiations, which will appear in the correspondence on this subject of my predecessor, Señor Gofiñ, with the Department of State, beginning August, 1868.

To that diplomatic arrangement, and to the law of Congress of 1869, to which it led, the undersigned confidently appeals. And if there were no such diplomatic negotiation, the law of 1869 would, of itself, be enough to protect Spanish ship-owners from this new change. The phrase in the act of 1877 is, to be sure, "laws and treaties," but under either a law or treaty is sufficient.

Since 1869, Spain has, with perfect fidelity, kept that engagement, as may be seen by the copy of a certificate from the auditor of customs at Havana, herein inclosed; she has not levied on American tonnage any greater or other charges than she levied on Spanish tonnage, and the undersigned conceives that when "satisfactory proof" of that fact is given to the President, he has power, and will, under section 4228 of

the Revised Statutes, suspend all discriminating charges in ports of the United States on Spanish tonnage, as his predecessor President Grant did, by proclamation, on December 19, 1871, in respect to duties on merchandise.

The policy of the United States, as the undersigned has read it in their history, has ever been to offer to all friendly nations and ask from them entire tonnage-reciprocity. Whenever the government at Washington has levied discriminating tonnage-charges, its statesmen have declared that it has only done so to induce other nations to modify or repeal their restrictions.

For many years entire and cordial tonnage-reciprocity has marked the intercourse by sea between Spain and the United States, and the undersigned cannot think that in this day of free trade Congress intended to impair that full and beneficial intercourse, but intended the rather to leave Spain as she stood from 1869 up to September 7, 1877, and to protect her vessels from any more or other charges in American ports, whether as duties or taxes, than are levied on American tonnage, which is thirty cents per ton.

It will inflict deep pain on the undersigned if this law of 1877 shall be interpreted by the President or the distinguished Secretary of State in a way to repel the tendency toward even closer commercial intimacy with the United States which now inspires the government of Madrid, and in a way to turn both nations backward to the old policy of trade restriction and hostility.

The undersigned avails himself of this occasion to renew to the honorable Secretary of State of the United States the assurance of his most distinguished consideration.

ANTONIO MANTILLA.

Hon. WILLIAM M. EVARTS,

Secretary of State of the United States, &c., &c.

[Translation.]

[Seal 8", year 1877; 2 pesetas, 50 centimes. No. 339 386.]

LEGATION OF SPAIN AT WASHINGTON.

Don Celestino Barca, chief of administration of the third class, auditor of the customs of this port, the head of which is Don Mariano Vicente Malo, certifies:

That vessels from North America, whatever their destination, that may enter the ports of this island, are upon an equality with national ones in the payment of tonnage-dues, no difference of flag existing between them and the said national vessels, in accordance with the stipulations between Spain and the Republic of North America, and of the communication of the Department of State at Washington, dated May the twenty-ninth, eighteen hundred and sixty-nine. And in order to verify the present document as proceeding from the administrator of the customs in Havana, on the 9th of October, eighteen hundred and seventy-seven.

Vo. Bo. Malo.

CELESTINO BARCA.

There is upon the seal, local administration of customs, Havana.

UNITED STATES CONSULATE-GENERAL AT HAVANA,
Island of Cuba.

I, the undersigned, United States consul-general at Havana, Island of Cuba, do hereby certify that the foregoing is the true and genuine signature of Don Celestino Barca, chief auditor of maritime customs at this port.

Given under my hand and seal of office the 12th day of October, 1877.

HENRY C. HALL,
Consul-General.

A true copy.

• MANTILLA.

[Telegram.]

LEGATION OF SPAIN IN WASHINGTON.

The Governor-General of Cuba to the Spanish Minister in Washington :

HAVANA, October 19, 1877.

There has not been imposed any additional tonnage-duty on foreign flags. On the contrary, at the request of that government, through its consul, it was decided by this general government on the 26th of last April, and was approved by that of His Majesty on the 30th of July, that the navigation-dues should be collected on vessels of North America by tonnage according to the manifest of building, of which you will be informed in detail by post.

A true copy.

No. 27.

DEPARTMENT OF STATE,

Washington, October 26, 1877.

SIR: I have had the honor to receive the note you were pleased to address to me under date of the 19th instant, wherein you adduce considerations and arguments which, in your judgment, show that the present system of levying and collecting tonnage-duties on foreign vessels, entering the ports of the United States, works hardship to Spanish vessels, which you regard as already exempted by law from the collection of any extra tax above that charged upon vessels of the United States, or, if not so exempt, you claim that they should be exempted, as an act of reciprocity, by reason of the absence of any discriminating or countervailing tonnage-duties upon vessels of the United States in the ports of Spain. And in proof of the statement that no such discrimination is made against American shipping in Spanish ports, you inclose evidence to show that vessels of the United States enter Cuban ports on terms of equality with Spanish vessels.

In reply, I have to state that the law of March 1, 1869, (section 4281 of the Revised Statutes,) to which you appeal in support of the arguments adduced in your note, requires, equally with the law of the 27th of February last, the establishment, to the satisfaction of the President of the United States, of the fact that no discriminating or countervailing duties upon tonnage are collected from vessels of the United States in Spanish ports, as the indispensable condition to the admission of Spanish shipping into ports of the United States upon the same terms as national vessels enjoy.

The Government of the United States, which has so keenly at heart the fostering and development of friendly and beneficial relations of commerce between its own shores and those of foreign countries, cannot but be desirous that the shipping-trade between the United States and Spain should rest on a basis of retiprocal favor and exemption.

If, therefore, the Government of His Majesty the King of Spain, which you so worthily represent, shall give such assurance as will satisfy the President of the United States that no discriminating or countervailing duties of tonnage are now levied on vessels of the United States in ports of the dominions of Spain, this government will direct its collector of customs to exact no higher tonnage-duties than those to which vessels of the United States are subjected under the law of the 27th of February last.

Accept, sir, the renewed assurance of my very high consideration.

WM. M. EVARTS.

No. 28.

DEPARTMENT OF STATE,
Washington, November 2, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 31st ultimo, together with twelve copies of your circular of the 29th ultimo, regarding the rate of tonnage-taxes to be hereafter collected on Spanish vessels in American ports.

I shall to-day transmit copies of the circular to the Spanish minister in this country and to the minister of the United States in Spain.

I have the honor to be, sir, your obedient servant,

WM. M. EVARTS.

Hon. JOHN SHERMAN,
Secretary of the Treasury.

No. 29.

DEPARTMENT OF STATE,
Washington, November 2, 1877.

SIR: Referring to your late notes touching the duties on tonnage of Spanish vessels, levied in the ports of the United States, I have the honor to advise you that information having been received from the United States minister in Spain that no differential duties are levied in any Spanish port, peninsular or colonial, on American vessels, and such information having been communicated to the Secretary of the Treasury, that officer has issued a circular upon the subject, three copies of which I inclose herewith.

Accept, sir, a renewed assurance of my very high consideration.

WM. M. EVARTS.

Señor DON ANTONIO MANTILLA.

[Inclosure.]

Three copies of a circular of the Secretary of the Treasury, dated October 29, 1877. (See No. 24, page 15.)

No. 30.

No. 25.]

DEPARTMENT OF STATE,
Washington, November 2, 1877.

SIR: I have to inform you that on the 29th ultimo I communicated to the Secretary of the Treasury your telegram of the 27th, respecting the duties levied in Spanish ports on American vessels; also, that a circular on the subject of the duties to be required on Spanish vessels in the ports of the United States was thereupon issued by the Secretary of the Treasury, of which I inclose three copies.

I am, sir, your obedient servant,

WM. M. EVARTS.

JAMES RUSSELL LOWELL, Esq., &c., &c., &c.

[Inclosure.]

Three copies of the circular of the Secretary of the Treasury of October 29, 1877. (See No. 24, page 15.)

No. 31.

DEPARTMENT OF STATE,
Washington, November 2, 1877.

SIR: Referring to your letter of the 11th of September last, requesting information respecting the amount of tonnage-tax exacted in the various maritime countries on foreign vessels, I have now the honor to submit herewith a copy of a dispatch received from the consul-general of the United States at Havana, dated the 24th ultimo, on the subject in question.

I would also state that a copy of dispatch No. 616, on the same subject referred to by the consul-general in his dispatch of the 24th ultimo, has already been transmitted to you.

I have the honor to be, sir, your obedient servant,

W. M. EVARTS.

Hon. JOHN SHERMAN,
Secretary of the Treasury.

[Inclosure.]

Dispatch No. 621, from consul-general at Havana, and its inclosure.
 Copy.

No. 32.

Mr. Hall to Mr. Seward.

[No. 621.]

U. S. CONSULATE-GENERAL,
Havana, Oct. 24, 1877. (Received Nov. 7.)

SIR: I have the honor to acknowledge the receipt, on the 12th instant, of the Department's circular instruction of the 17th ultimo, requesting, on the part of the Secretary of the Treasury, information respecting the amount of tonnage-tax imposed upon foreign vessels, as also detailed statements of all the charges on American vessels upon entrance and clearance at the port of Havana.

The information referred to was, in part, reported to the Department with my dispatch No. 616, of the 8th instant. I will now endeavor to amplify it with other information contained in the accompanying inclosures, which I have no doubt will be found to embrace all that may be required.

Inclosure No. 1 is a copy and translation of the royal order of 4th June, 1869, disposing the equalization with Spanish vessels in the ports of the colonies as regards the tonnage-tax of the vessels of those nations which concede an equal benefit to the vessels of Spain. This order went into effect, in Cuba, as regards American vessels, on the 15th May, 1869, having previously been extended to the vessels of Germany, France, Great Britain, Sweden and Norway, Russia, Denmark, and Italy.

No. 2. Translation of the order of the Intendente General of Cuba, dated the 13th May, 1869, equalizing American vessels with Spanish vessels in the collection of the tonnage-tax.

No. 3. Tariff of tonnage-taxes imposed on Spanish vessels and the vessels of other equalized nations in the ports of Cuba, in force, as regards American vessels, since the 15th May, 1869.

No. 4. Copy and translation of a certificate given by the customs authorities of Havana to Spanish vessels bound from Cuba to ports of the United States.

No. 5. Abstract of the official charges, or dues, paid in this port by the American brig Havana, entering and clearing with cargo; the tonnage-tax of \$1.35 per ton corresponding to the first item of the tariff above referred to.

No. 6. Abstract of the official charges paid by the American schooner William H. Knight, with cargo inward and ballast outward; the tonnage-tax of \$1.30 per ton corresponding to the 2d item of the tariff.

No. 7. Abstract of the official charges paid by the United States mail-steamer Niagara, from and for New York, with cargoes inward and outward; the tonnage-tax of 62½ cents per ton corresponds to the 10th item of the tariff.

No. 8. Abstract of charges paid by the Spanish steamer Juana, (not a mail-steamer,) from Barcelona, Spain, with cargo, and hence to New York in ballast; the tonnage-tax collected of this steamer corresponding to the 12th item of the tariff. I also append an abstract of the charges paid by the Spanish bark Enrique, from Liverpool, with cargo, and hence to the United States in ballast; the tonnage-tax paid by this vessel corresponds to the 2d item of the tariff.

It will be seen that, as regards the tonnage tax and other charges collected by the custom-houses of Cuba, there is no discrimination against American vessels, in favor of Spanish vessels or the vessels of any other nation.

No. 9 is a copy and translation of a royal order, dated 4th June, 1877, establishing a tariff of pilotages at this port. This tariff discriminates in favor of the Spanish flag against the vessels of foreign nations not assimilated with it. The flags assimilated by treaty, or under the "most favored nation" clause, are the German, French, British, and others. American vessels pay the highest rates.

The tariffs of pilotage vary in all the ports of the island according to distance from the entrance to the anchorage. This branch of service is under the control of the marine authorities.

Trusting that the report herewith transmitted will prove satisfactory, I have, &c.,

HENRY C. HALL.

Inclosures.

1. Royal order of 4th June, 1868, respecting the equalization of the tonnage-tax upon Spanish and foreign vessels.

2. Order of the intendente of Cuba, dated 13th May, 1867, equalizing the tonnage-tax upon American vessels with that upon Spanish vessels.

3. Tariff of tonnage-taxes.

4. Copy of the certificate issued by the custom-house of Havana to Spanish vessels bound to the ports of the United States.

5 to 8. Pro forma disbursements, accounts of sundry vessels.

9. Tariff of pilotage at the port of Havana.

[Inclosure No. 1 with dispatch No. 621.]

HAVANA, October 24, 1877.

[Translation.]

MINISTRY OF ULTRAMAR—ROYAL DECREE.

In view of the reasons reported by the ministry of Ultramar, approved by the council of ministers, I decree the following:

ARTICLE 1. In the islands of Cuba, Puerto Rico, and Philippines, there shall be equalization with Spanish vessels, in the exaction of navigation and port (tonnage) dues, for the vessels of all those nations which concede an equal benefit in their respective territories and in their colonial possessions to the vessels of the Spanish merchant-marine arriving from those islands and the ports of Spain and adjacent islands.

ART. 2. The reciprocity in the payment of the said *dues* shall take effect in the ultramarine provinces, with respect to each nation, upon the date of the insertion of the corresponding order in the Gazette.

Given in the palace the 4th June, 1868.

Signed by the royal hand.

The minister of ultramar:

CARLOS MARPORI.

[Inclosure 2] in No. 621.]

HAVANA, October 24, 1877.

[Translation.]

INTENDANCY-GENERAL OF FINANCE, *Central Bureau of Customs*:

His excellency the minister of the colonies (ultramar) has been pleased to order, by telegram received on this day, that the vessels of the United States be placed upon the same footing, as regards navigation and port dues, with Spanish vessels. This concession to take effect from the 15th instant.

Which, in accord with H. E., the intendant-general of finance, is announced in the *Gaceta Oficial* for public information.

JOSÉ CANORAL DEL CASTILLO.

HAVANA 13th May, 1869.

[Inclosure 3 in No. 621.]

HAVANA, October 24, 1877.

TONNAGE-TAX COLLECTED UPON THE VESSELS OF SPAIN AND OF OTHER EQUALIZED NATIONS IN THE PORTS OF CUBA, IN FORCE AS REGARDS AMERICAN VESSELS SINCE THE 15TH MAY, 1869.

The currency referred to herein is the gold "peso" or dollar of Cuba.

1. Arriving and departing with full cargoes, \$1.35 per ton.
2. Arriving with full cargo and leaving in ballast, \$1.30 per ton.
3. Arriving in ballast and leaving with full cargoes, \$1 per ton.
4. Bringing coals to the extent or in excess of their register-tonnage, although they may have other cargo, are exempt from the tax.
- Bringing coals only in less quantity than their register-tonnage, pay for each ton short, 62½ cents per ton.
- Bringing coals in less quantity than their register-tonnage, and having other cargo than coals, pay for each ton of coals 73 cents, and for each ton not occupied with coals, \$1.25.
5. Arriving in ballast and leaving fully loaded with molasses, pay for each ton measurement, 37 cents.
6. Arriving in ballast and leaving with products of the island, pay for each ton of cargo, \$1, and for each ton unoccupied, 5 cents.
7. Arriving and departing in ballast, per ton, 5 cents.
8. Vessels which enter in distress, per ton, 5 cents.
9. Mail-steamers making periodical voyages to ports of the island are exempted from the payment of any tax, provided they do not bring in or take away more than six tons of cargo.
10. Mail-steamers that bring or take away more than six tons of cargo, pay for each ton over six, 62½ cents.
11. Spanish mail-steamers pay in accordance with their contents.
12. Steamers not embraced in articles 9, 10, and 11 pay the same as sailing-vessels, the space occupied by the machinery and coal-bunkers being deducted from the gross tonnage in the assessment of the tax.
13. Steamers bringing cargoes of live bovine cattle and departing in ballast pay 5 cents per ton only.

[Inclosure 4 in No. 621.]

HAVANA, October 24, 1877.

TONNAGE-TAX UPON AMERICAN VESSELS IN CUBA.—CUSTOM-HOUSE CERTIFICATES FURNISHED TO SPANISH VESSELS GOING TO PORTS OF THE UNITED STATES.

[Translation.]

I, Don Barca Celestino y Santibañer, chief of administration of the third class and auditor of this custom-house, of which Don Vicente Mariano Malo is administrator, certify that North American vessels, from wheresoever they may come, entering the ports of this island are equalized with national (Spanish) vessels as regards the navigation or

tonnage-dues; no difference whatever existing in regard to the said American flag, it being in conformity with the regulations in force, assimilated to the Spanish flag.

And as evidence thereof, whenever it may be required, I issue the present certificate, with the approval of the administrator of this custom-house in the Havana, the 16th day of October, 1877.

CELESTINO BARCA.

Approved: The Administrator,

MALO.

[Inclosure 5 in No. 621.]

HAVANA, October 24, 1877.

DISBURSEMENTS FOR OFFICIAL CHARGES IN THE PORT OF HAVANA OF THE AMERICAN BRIG HAVANA, FROM NEW YORK WITH GENERAL CARGO, AND BACK TO NEW YORK WITH SUGARS.

Inward pilotage.....	\$20 00
Outward pilotage.....	10 00
Pilotage in the harbor, to and from the wharf and moorings.....	20 00
Interpreter's fees.....	4 25
Wharfage and staging.....	23 00
Stamps for permits and custom-house entries.....	8 50
Translation and extract.....	4 25
Tonnage dues and tax on 264 ¹³ / ₁₀₀ tons, at \$1.35 per ton.....	356 65
Custom-house clearance and stamps.....	8 50
	<hr/>
	455 15

[Inclosure 6 in No. 621.]

HAVANA, October 24, 1877.

DISBURSEMENTS FOR OFFICIAL CHARGES IN THE PORT OF HAVANA OF THE AMERICAN SCHOONER WILLIAM H. KNIGHT FROM WILMINGTON, N. C., WITH LUMBER, AND HENCE TO PASCAGOULA, MISS., IN BALLAST.

Pilotage inward and outward.....	\$19 00
Pilotage in changing and mooring in the harbor.....	11 99
Interpreter's fees.....	4 00
Bond for colored seamen.....	1 00
Stamps for permits and custom-house entries.....	8 50
Translation at custom-house and extract.....	4 25
Tonnage-tax on 187 ¹⁵ / ₁₀₀ tons, at \$1.30 per ton.....	243 70
Custom-house clearance and stamps.....	8 50
	<hr/>
	300 55

Cleared Havana 27th August, 1877.

[Inclosure 7 in No. 621.]

HAVANA, October 24, 1877.

DISBURSEMENTS FOR OFFICIAL CHARGES OF THE U. S. MAIL-STEAMER "NIAGARA" FROM NEW YORK, WITH CARGO INWARD AND OUTWARD.

Inward pilotage.....	\$23 50
Outward pilotage.....	17 50
Interpreter's fees.....	4 00
Stamps for permits and custom-house.....	11 00
Extract and translation of manifest.....	11 00
Tonnage-tax on 2,490 tons, at 62 ¹ / ₂ cents.....	1,556 75
Custom house clearance and stamps.....	34 00
	<hr/>
	2,657 75

Cleared September 30, 1877, for New York.

[Inclosure 8 in No. 621.]

HAVANA, October 24, 1877.

DISBURSEMENTS FOR OFFICIAL CHARGES OF THE SPANISH STEAMER JUANA FROM BARCELONA WITH CARGO, AND HENCE FOR NEW YORK IN BALLAST.

Inward pilotage.....	\$18 50
Outward pilotage.....	12 50
Tonnage-tax 766 ¹ / ₁₀₀ tons, at \$1.30	995 44
Clearance fees.....	18 62
Captain of the port's fees and bill of health.....	31 19
	<u>1,076 25</u>

Cleared for New York September 6, 1877.

DISBURSEMENTS FOR OFFICIAL CHARGES OF THE SPANISH BARK ENRIQUE FROM LIVERPOOL, AND HENCE FOR A PORT IN THE UNITED STATES IN BALLAST.

Inward pilotage.....	\$20 00
Pilotage taking vessel to wharf.....	7 00
Pilotage from wharf to bay.....	7 00
Wharf-dues, 25 days.....	64 50
Tonnage-tax, 206 ⁵ / ₁₀₀ tons, at \$1.30	268 46
Stamps for entry, &c.....	14 00
Clearance at custom-house.....	10 00
	<u>390 96</u>

[Inclosure No. 9 with dispatch No. 621.]

HAVANA, October 24, 1877.

[Translation.]

Commanding general of marine of the Havana station.

Under date of 7th May ultimo the minister of marine says to me the following:

"EXCELLENCY: In view of the report contained in your excellency's letter No. 2088, of the 12th March ultimo, accompanying an act accorded by the junta of ship-owners, captains, and masters, assembled in the captaincy of that port, with the object of reforming the tariff of pilotages of the same, the King, (Q. D. G.,) in conformity with the report of the superior consulting junta of the same department, has decided to approve the annexed tariff of pilotage, ordering it to have effect in future in the said port. By royal order I communicate it to your excellency for your information and consequent purposes."

I transcribe the same to you, with a copy of the tariff, for your information and due compliance.

God preserve you many years.

Havana, June 4, 1877.

CARLOS VALCARCEL.

To the COMMANDANT MARINE, (captain of the port,) *Habana.*

NOTE 1ST. According to the regulations in force, vessels of less than 80 tons are exempt from the obligation of taking a pilot, as also are those employed in coasting trade, whatever may be their tonnage.

2D. Steamers entering and going out of port by the aid of their machinery, with the exception of those from abroad of more than 500 horse-power, whenever they make use of a pilot, shall pay one-third less pilotage than the amount designated in the respective tariff, according to tonnage and flag. It is understood that this deduction is upon the net sum due for pilotage after deducting for boat-hire.

3D. The amounts established by the respective tariffs are in payment of pilotage in and out of port.

4TH. Vessels lying at the wharves, loading or discharging, shall pay for pilotage and moorings the amount designated in tariff No. 4, and those vessels which perform the same operations in the bay, at the anchorage referred to, shall pay according to tariff No. 3.

5TH. For the liquidation of pilotage by tons, as provided by the tariffs, the full measurement of the vessel will be taken into account.

MADRID, 7th May, 1877.

(Signed)

RAMON TOPETE.

Office of the secretary of the commanding general of marine of Habana.

A true copy.

JUAN GARCIA CARBONELL,

Secretary.

HABANA, 29th May, 1877.

FERMIN CANTERO,
Captain of the Port.

TARIFF OF PILOTAGE AT THE PORT OF HAVANA, ESTABLISHED 4TH JUNE, 1877.

For foreign vessels not assimilated to Spanish vessels;

Of 80 tons and under.....	\$8 00
From 81 to 101 tons.....	9 00
From 101 to 125 tons.....	10 00
From 126 to 150 tons.....	11 00
From 151 to 175 tons.....	12 00
From 176 to 200 tons.....	13 00
From 201 to 250 tons.....	13 75
From 251 to 300 tons.....	14 50
From 301 to 400 tons.....	15 50
From 401 to 500 tons.....	16 50
From 501 tons upward.....	17 50

For vessels under the Spanish and assimilated flags:

Of 80 tons and under.....	\$7 00
From 81 to 100 tons.....	8 00
From 101 to 125 tons.....	8 50
From 126 to 150 tons.....	9 00
From 151 to 175 tons.....	9 50
From 176 to 200 tons.....	10 00
From 201 to 250 tons.....	10 50
From 251 to 300 tons.....	11 00
From 301 to 400 tons.....	11 50
From 401 to 500 tons.....	12 00
From 501 upward.....	13 50

In addition to the above, each vessel is charged \$6 (six dollars) boat-tax, or for the boat which conveys the pilot to the vessel.

No. 33.

[Translation.]

LEGATION OF SPAIN IN WASHINGTON,
NEW YORK, November 5, 1877. (Received November 6.)

The undersigned, envoy extraordinary and minister plenipotentiary of Spain, has the honor to acknowledge to the honorable Secretary of State of the United States of America the reception of his note of the 26th of October last, wherein, in answer to his of the 19th, he was pleased to inform him that, so soon as the assurance was received from the Government of His Majesty the King of Spain that no differential duty whatever was exacted in Spanish ports from the vessels of the United States, orders would be given to the collectors of customs that, in the ports of the Union, there should not be exacted from Spanish vessels greater tonnage-duties than are imposed upon those of this country by the law of the 27th of February last.

The undersigned has also had the honor to receive the note of the honorable Secretary of State, dated 2d instant, in which he is pleased to communicate to him that, the desired assurance having been received from His Catholic Majesty through the medium of the representative of the United States at Madrid, the Department of the Treasury has issued the circular, of which he transmits copies, equalizing the tonnage-duties upon Spanish vessels with those which are collected from the vessels of the United States, and ordering the return of the extra charges paid by the Spaniards under protest.

In giving thanks to the honorable Secretary of State for the spirit of

justice which he has shown in this matter, and for the benevolent phrase he addresses to the undersigned in the first of the above-mentioned notes, the undersigned obeys the duty of bringing to the knowledge of the honorable Secretary of State that the Government of His Majesty the King charges him by telegraph to express to that of the United States the lively satisfaction with which it has seen the speedy and just settlement of this question.

The undersigned improves this opportunity to renew to the Hon. William M. Evarts the assurances of his most distinguished consideration.

ANTONIO MANTILLA.

PAPERS TRANSMITTED BY THE TREASURY DEPARTMENT.

No. 34.

TREASURY DEPARTMENT,

November 7, 1877.

SIR: I have the honor to acknowledge the receipt, by reference, of a resolution of the House of Representatives, dated the 5th instant, in which you are requested to communicate to that House "the correspondence with the Spanish Government and the orders and directions of the Treasury Department to the collectors of customs in relation to the recent imposition of a differential duty of fifty cents per ton on Spanish vessels entering American ports."

I have to state, in obedience to that part of the resolution which relates to this department, that section 4219 of the Revised Statutes having been amended by the act approved February 27, 1877, the department promulgated the amended section, for the information of collectors of customs and others, by circular of August 22, 1877, a copy of which is herewith inclosed. Inquiries, however, still continued to be made as to the amount of tonnage-tax to be exacted on vessels arriving from foreign ports. It became necessary to issue further instructions, and circular of the 7th of September last was prepared, giving the rates to be charged, and naming the countries whose vessels are exempt under treaty provisions from a tax exceeding thirty cents per ton, the amount paid by our own vessels. Spain is not on the list, as the Spanish Government has no treaty with the United States making provision for the payment of the same rate of tax by Spanish vessels as is paid by American vessels. A copy of the circular is inclosed.

Under date of the 24th September last, the collector of customs at New York reported to the department that he had collected tonnage-tax on two Spanish vessels in that port at the rate of eighty cents per ton, and asked for instructions. He also reported that he was informed that in the ports of Cuba, American vessels were charged \$1.30 or \$1.35 per ton. He was instructed to continue the exaction of eighty cents per ton, and to receive the money under protest to protect the rights of the parties in interest.

It will be observed that the collector refers to section 4231 of the Revised Statutes, which provides for Spanish vessels paying no other or greater duty on tonnage than vessels of the United States when coming from a port in Spain or her colonies where no discriminating duties on tonnage were levied on our vessels. The department had duly considered the section, but was unable to afford relief, as it had no official information which would justify the exemption of Spanish vessels from the operation of the section requiring the exaction of eighty cents per ton. With a view to ascertain the practice of the Spanish authorities, the Department of State was requested to inquire whether there was any discrimination between their vessels and ours, and what amount of tonnage-tax was levied on the vessels of the two countries.

On the 29th October the Department of State transmitted a copy of a telegram from our minister at Madrid, dated the 27th, stating that he had received the assurance of the minister of state that no differential duties were levied in any Spanish port on American vessels. This telegram was made the subject of other circular instructions to collectors of customs, dated October 29, under which they ceased to exact eighty cents per ton on Spanish vessels and collected only thirty cents per ton,

the ordinary tonnage-tax. They were also authorized to transmit to the department certified statements in order to refund fifty cents per ton, the excess of tax on Spanish vessels, in all cases where payment had been made under protest. A copy of this circular is inclosed. Mean-time inquiries were received from collectors at Charleston, S. C., Savannah, Ga., and New Orleans, La., as to the rate of tax to be charged, which the department answered by telegraph, dated October 29, copies of which answers are inclosed, together with a copy of the instructions of the same date given to the collectors at New York, Mobile, and Boston, of the same tenor as the circular.

Very respectfully,

JOHN SHERMAN,
Secretary.

The PRESIDENT.

No. 35.

CUSTOM HOUSE, NEW YORK,
Collector's Office, September 22, 1877.

SIR: In accordance with the last paragraph of circular 118, 1877, I have exacted eighty cents per ton, each, from two Spanish vessels from Havana. But I am confronted with a reference to section 4231, Revised Statutes, reproducing chapter 54, act March 1, 1869.

Before making any further similar exactions from Spanish vessels, I desire to have the instructions of the department.

I am credibly informed that vessels of the United States at the ports of Cuba, under most circumstances, are charged \$1.30 or \$1.35 per ton. Whether Spanish vessels also are subjected to an equal charge does not appear.

Very respectfully,

J. R. LYDECKER,
Special Deputy Collector.

Hon. JOHN SHERMAN,
Secretary of the Treasury.

No. 36.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, D. C., September 24, 1877.

SIR: I am in receipt of your letter of the 22d instant, stating that in accordance with the last paragraph of circular No. 118, 1877, you have exacted eighty cents per ton on two Spanish vessels from Havana, notwithstanding the provisions of section 4231 of the Revised Statutes.

It appears that you have learned that vessels of the United States at the ports of Cuba are charged, under most circumstances, \$1.30 or \$1.35 per ton. You are not aware, however, whether Spanish vessels also are subject to an equal charge. You therefore ask the department for instructions before making any further similar exaction at your port on Spanish vessels.

You are directed, in reply, to continue to exact eighty cents per ton

on Spanish vessels from Cuba until further instructed, and the money may be paid under protest, which will protect the rights of all parties.

Very respectfully,

H. F. FRENCH,
Assistant Secretary.

COLLECTOR OF CUSTOMS, *New York.*

No. 37.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, D. C., October 29, 1877.

[Telegram.]

COLLECTOR OF CUSTOMS, *Savannah, Ga.:*

Collect no further amount from Spanish bark Nueva Buenaventura on account of tonnage-tax, before December first.

H. F. FRENCH,
Assistant Secretary.

No. 38.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, D. C., October 29, 1877.

SIR: This department is informed by the Department of State that the minister of state at Madrid has assured the American minister there that no differential duties are levied in any Spanish port, peninsular or colonial, on American vessels.

You are therefore authorized to admit Spanish vessels to entry on payment of 30 cents per ton, the ordinary tonnage-tax; and you are also authorized to transmit the usual certified statement in the cases in which tonnage-tax of 80 cents per ton has been exacted, in order that the excess of 50 cents per ton, in such case, may be refunded. A circular will shortly be issued.

Very respectfully,

H. F. FRENCH,
Assistant Secretary.

COLLECTOR OF CUSTOMS, *New York.*

A similar letter was sent to the collectors of customs at Boston, Mass., and Mobile, Ala.

No. 39.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, D. C., October 29, 1877.

[Telegram.]

COLLECTOR OF CUSTOMS, *Charleston, S. C.:*

Hereafter exact tonnage-tax of thirty cents per ton on Spanish vessels. A circular will be issued shortly.

H. F. FRENCH,
Assistant Secretary.

No. 40.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, D. C., October 29, 1877.

[Telegram.]

COLLECTOR OF CUSTOMS, Charleston, S. C.:

Admit Spanish ship Joaquin Serra to entry, on payment of tonnage-tax of thirty cents per ton.

H. F. FRENCH,
Assistant Secretary.

No. 41.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, D. C., October 29, 1877.

SIR: Your letter of the 22d instant is received, transmitting the appeal of E. J. Forstall's Sons against the payment of a tax of 50 cents per ton (\$1,044) on the Spanish steamship Carolina, in addition to ordinary tax of 30 cents per ton.

You are informed that assurances having been received through the Department of State, that no differential duties of tonnage are exacted from vessels of the United States in the ports of Spain or her colonies, you will henceforth treat the vessels of that country as subject to no higher tonnage-tax than 30 cents per ton.

You will therefore transmit a certified statement for the return of the tax of 50 cents per ton exacted on the Carolina, and on the Spanish bark Prosperidad, referred to in your letter of the 24th instant, upon the surrender by each vessel of its certificate of payment of the amount exacted as a tax of 50 cents per ton on each vessel. On the same conditions you will transmit certified statements for the refund of the same tax collected on all other Spanish vessels under the instructions of the circular of the 7th ultimo.

Very respectfully,

H. F. FRENCH,
Assistant Secretary.

COLLECTOR OF CUSTOMS, New Orleans, La.

○

MEXICAN BORDER TROUBLES.

MESSAGE

FROM THE

PRESIDENT OF THE UNITED STATES,

IN ANSWER TO

A resolution of the House of Representatives, transmitting reports from the Secretaries of State and of War in reference to Mexican border troubles.

NOVEMBER 13, 1877.—Referred to the Committee on Foreign Affairs and ordered to be printed.

To the House of Representatives :

In answer to the resolution of the House of Representatives of the 1st instant, I transmit, herewith, reports from the Secretary of State and Secretary of War, with their accompanying papers.

R. B. HAYES.

WASHINGTON, November 12, 1877.

DEPARTMENT OF STATE,
Washington, November 12, 1877.

The Secretary of State, to whom was referred the resolution of the House of Representatives of the 1st instant, requesting the President "to communicate to the House of Representatives, so far as in his judgment may be compatible with the public interests, all information in his possession relating to the condition of the Mexican border in Texas and to any recent violations of the territory of the United States, by incursions from Mexico" has the honor to lay before the President the papers specified in the subjoined list, which contain the information called for by the resolution.

WM. M. EVARTS.

To the PRESIDENT.

List of accompanying papers.

DIPLOMATIC.

1. Mr. Foster to Mr. Fish, [extract,] No. 503, March 3, 1877.
2. Mr. Evarts to Mr. Foster, No. 379, March 31, 1877, with an accompaniment.
3. Mr. Foster to Mr. Evarts, [extract,] No. 528, April 24, 1877.
4. Mr. Evarts to Mr. Foster, No. 385, May 2, 1877, with an accompaniment.

5. Same to same, No. 392, May 28, 1877, with an accompaniment.
6. Mr. Foster to Mr. Evarts, [extract,] May 28, 1877.
7. Mr. Evarts to Mr. Foster, No. 393, June 4, 1877, with an accompaniment.
8. Same to same, No. 395, June 21, 1877, with accompaniments.
9. Mr. Foster to Mr. Evarts, telegram, June 21, 1877.
10. Same to same, No. 552, June 21, 1877, with an accompaniment.
11. Same to same, No. 554, June 22, 1877, with accompaniments.
12. Mr. Evarts to Mr. Foster, No. 397, June 23, 1877, with an accompaniment.
13. Mr. Foster to Mr. Evarts, No. 560, June 28, 1877, with accompaniments.
14. Same to same, No. 570, July 7, 1877.
15. Same to same, telegram, July 9, 1877.
16. Same to same, No. 572, July 9, 1877, with an accompaniment.
17. Same to same, No. 580, July 24, 1877, with accompaniments.
18. Governor Hubbard to the President, telegram, August 13, 1877.
19. Mr. Seward to Governor Hubbard, telegram, August 14, 1877.
20. Mr. Seward to Mr. Foster, telegram, August 15, 1877.
21. Same to same, No. 411, August 15, 1877, with accompaniments.
22. Mr. Foster to Mr. Evarts, telegram, August 23, 1877.
23. Same to same, No. 590, August 23, 1877.
24. Same to same, No. 593, August 30, 1877.
25. Mr. Seward to Mr. Foster, No. 413, August 30, 1877, with an accompaniment.
26. Mr. Foster to Mr. Evarts, No. 594, August 30, 1877.
27. Same to same, No. 602, September 11, 1877.
28. Same to same, No. 612, October 6, 1877.
29. Same to same, No. 613, October 12, 1877, with accompaniments.
30. Same to same, No. 615, October 16, 1877, with an accompaniment.
31. Same to same, No. 616, October 18, 1877, with an accompaniment.
32. Mr. Evarts to Mr. Foster, No. 421, October 24, 1877.
33. Señor Mariscal to Mr. Evarts, April 28, 1877, with accompaniments.
34. Mr. Evarts to Señor Mariscal, May 1, 1877.
35. Memorandum left at department by Señor Mariscal on June 7, 1877.
36. Señor de Cuellar to Mr. Evarts, September 7, 1877, with an accompaniment.
37. Mr. Seward to Señor de Cuellar, September 18, 1877.
38. Señor Vallarta to Señor Mata, September 10, 1877, with an accompaniment.

CONSULAR.

39. Mr. Wilson to Mr. Hunter, No. 274, March 9, 1877.
40. Mr. Schuchardt to Mr. Hunter, No. 185, May 14, 1877.
41. Mr. Weber to Mr. Hunter, No. 14, June 30, 1877.
42. Mr. Schutz to Mr. Hunter, No. 13, July 13, 1877.

MISCELLANEOUS.

43. Mr. Schleicher to the President, May 7, 1877, with accompaniments.
44. Governor Hubbard to Mr. Evarts, October 10, 1877, with an accompaniment.
45. Mr. Evarts to Governor Hubbard, October 22, 1877.

CORRESPONDENCE.

DIPLOMATIC.

No. 1.

Mr. Foster to Mr. Fish.

[Extract.]

No. 503.]

LEGATION OF THE UNITED STATES,
Mexico, March 3, 1877. (Received March 16.)

SIR: In an interview which I had with General Diaz on the 23d ultimo, to which reference is made in my No. 502 of this date, I referred to the importance of the Government of Mexico giving greater attention to the preservation of order on, and the prevention of raids into Texas, from the Mexican side of the Rio Grande. I stated that this matter had occasioned the most serious complaint against the administration of Mr. Lerdo, and was a more threatening danger to the friendly relations and peace of the two countries than any other. In the same connection I made a number of suggestions as to measures which I deemed it appropriate for him to take, among which were the designation of a prominent and experienced general of the army, with a suitable force, to take command on that frontier, and to act in accord with the department commander in Texas; and that Cortina be deprived of all authority there, and if possible, be withdrawn entirely from that region.

In reply, General Diaz heartily coincided with me as to the importance of the subject, and expressed his earnest desire to do all that was possible to preserve order and prevent raids in future. He referred to his recent presence on that frontier, which had afforded him an opportunity to become familiar with the situation, and which he hoped would enable him to adopt more efficient measures. He stated that Cortina had already been ordered to the interior of the republic, and that he would not be permitted to exercise authority on the Rio Grande. Altogether, the conversation on the subject was satisfactory, but I will take an early opportunity to again call the attention of General Diaz to the matter, and ask for the adoption of rigorous measures.

I am, &c.,

JOHN W. FOSTER.

Hon. HAMILTON FISH,
Secretary of State, Washington, D. C.

No. 2.

Mr. Evarts to Mr. Foster.

No. 379.]

DEPARTMENT OF STATE,
Washington, March 31, 1877.

SIR: I transmit for your information a copy of a letter of the 28th instant, and of its accompaniments, addressed to this department by the Secretary of War. It sets forth many recent instances of marauding parties of Indians and others from Mexico into Texas, and of robberies and murders committed by them.

The opinion of Colonel Shafter that the only way to check these atrocities is to follow the delinquents into Mexico and there attack them in their lairs is probably well founded. As the authorities of that country seem to be unable or unwilling to check the depredations, the President may soon have to take into serious consideration the expediency of acting pursuant to Colonel Shafter's opinion. Undoubtedly it would be preferable to enter Mexican territory for the purpose indicated with the consent or with the acquiescence of the government of that republic. If, however, these should be refused and the outrages persisted in, this government may deem itself warranted in punishing the wrong-doers wherever they may be found.

It may not be amiss for you, informally, to intimate these views to persons of importance at the capital.

I am, &c.,

WM. M. EVARTS.

[Inclosure to No. 2.]

*Mr. McCrary to Mr. Evarts.*WAR DEPARTMENT,
Washington City, March 28, 1877. (Received March 30.)

SIR: I have the honor to transmit for your information copy of a communication of the 9th instant, from Lieutenant-Colonel Shafter, commanding the district of the Nueces, relative to the murder and robbery of American citizens in Texas by raiding parties of Mexicans and Indians from beyond the Mexican border.

Very respectfully, &c.,

GEO. W. MCCRARY,
*Secretary of War.*HEADQUARTERS DISTRICT OF THE NUCES,
Fort Clark, Texas, March 9, 1877.

SIR: I have the honor to report, for the information of the general commanding the department, the following facts in reference to depredations recently committed by marauding parties of Indians and Mexicans from the neighboring Republic of Mexico.

Since the 1st of October, 1876, there have been killed by parties of Indians, that have been followed from the scene of the murder to the Rio Grande, seventeen men, and the arms and horses taken from the murdered men have been openly offered for sale in the town of Saragossa, Mexico.

Since the 30th day of December, 1876, there have been taken from within ten miles of Fort Clark two large droves of horses, about 100 in all, and at least 300 head of cattle in the two raids. The first party was followed about 150 miles into Mexico, to their camp, where nearly a hundred of the cattle had been slaughtered, and the beef was found drying.

Unfortunately the approach of the troops was discovered, and the Indians fled, and have since then been hovering in the vicinity of the towns, to which they would retreat if attacked.

In the two last raids the Indians were kept close to the river, and have recrossed within a few hours.

To head these raiders is almost impossible, as they cross at night and are back again before the second night has passed. Not the slightest attempt is made by the Mexican authorities to control these Indians; they, on the contrary, finding a refuge in the towns when pursued, and a market for their stolen plunder at all times.

Efforts are being made to find out the locality of their camp, and whenever the chance occurs a dash will be made for it. It is, however, only a chance that they are hit, as they are at all times on the alert, and especially so since their camp was struck in July last by the detachment under Lieutenant Bullies.

To prevent, as far as possible, gathering cattle near the river and driving them to Mexico, and also to have companies where they can be put quickly on the trail of Indians who may come out some distance from the river to gather their herd, I have determined to put a company of cavalry in camp on the Rio Grande, half way between San Felipe and Fort Duncan, and another about ten or fifteen miles below the mouth of Pecos. No expense will attend this move, as the companies will go out for a month at a time, and be supplied from Fort Clark.

To effectually put a stop to the Indian raids from Mexico it will be necessary to do all scouting for Indians on the Mexican side of the Rio Grande.

There are now none living in Texas, and hunting for little stealing parties of four or five Indians on this side is useless. Full authority to operate in Mexico as we choose is the only way in which life and property can be made secure on this frontier.

It is an incontrovertible fact that all the raids are made from Mexico to this side, and none from this to Mexico, and the people who are being robbed and murdered are American citizens.

I am, &c.,

W. R. SHAFTER,

Lieutenant-Colonel Twenty-fourth Infantry, Commanding.

ASSISTANT ADJUTANT-GENERAL,

Department of Texas, San Antonio, Texas.

[First indorsement.]

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., March 13, 1877.

A true copy. Respectfully forwarded to the assistant adjutant-general Military Division of the Missouri, for the information of the Lieutenant-General commanding.

E. O. C. ORD,
Brigadier-General Commanding.

[Second indorsement.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, March 19, 1877.

Respectfully forwarded to the Adjutant-General of the Army.

The Rio Grande is a very long and crooked frontier, and it is impossible to prevent Indians coming over from Mexico and committing depredations of the character reported within. I recommend the Mexican Government be compelled to prevent these hostile incursions.

P. H. SHERIDAN,
Lieutenant-General Commanding.

No. 3.

Mr. Foster to Mr. Evarts.

[Extract.]

No. 523.]

LEGATION OF THE UNITED STATES,
Mexico, April 24, 1877. (Received May 15.)

SIR: On the 21st instant I received your dispatch, No. 379, of the 31st ultimo, with which you transmit a copy of a communication and its accompaniments from the Secretary of War, embracing a report from Colonel Shafter concerning recent incursions of Indians from Mexico into Texas.

In accordance with the indication contained in your dispatch, I called upon Mr. Vallarta, at the foreign office, on yesterday, gave him the facts contained in Colonel Shafter's report, and represented to him the manner in which Colonel Shafter's recommendation for authority to cross the border in pursuit of the raiders had been received by our government. Whereupon a lengthy conversation followed on the general subject of the Texas-border troubles.

I recalled to Mr. Vallarta's attention the fact that, in one of the first interviews which I had with him after the establishment of General Diaz's government in this capital, I represented to him in very strong terms the urgent necessity there was to give early attention to the peace and order of that frontier, and in my first audience with General Diaz I made the same representations to him, assuring him that it was essential to the maintenance of cordial relations between the two countries. I stated that the recent occurrences on that frontier had fully confirmed me in the suggestion which I first made to him, that a military officer of high rank, character, and prudence should be sent to the Rio Grande with a sufficient force of regular federal troops to repress the marauding bands, and compel the local authorities to co-operate in enforcing order and punishing the murderers and robbers.

I expressed regret that my suggestion had apparently had so little effect, as the only person sent to that frontier was General Blanco, who went to Matamoras simply on a political mission, unaccompanied by any federal force, and that his mission, if I had not been incorrectly informed, had proven the truth of the position frequently assumed by me, that the state and local authorities in that region pay very little regard to the orders or wishes of the federal government, as Governor Canales, of Tamaulipas, refused to recognize General Blanco's authority or to be governed by his orders, and that he found it necessary to return to this capital, and I feared it was the same with the other authorities on the Mexican side of the Rio Grande; so that Mr. Vallarta's government ought not to consider it strange that the military officials of Texas should deem it necessary to have authority to pursue the marauders into Mexican territory and punish them for their murders and robberies. This was no new declaration for me to make, as he would see by an examination of my correspondence and interviews with his predecessors in the foreign office.

I referred to the fact that notwithstanding my repeated remonstrances with the past administration for a series of raids into Texas from Mexico, resulting in murders, arson, plundering of government post-offices and custom-houses, robberies, and other outlawry, up to the present time not a single punishment had resulted on the part of the Mexican authorities. The only action taken by the federal authorities during my residence which indicated any vigor or decision was the arrest of General Cortina by order of Mr. Lerdo, and that simply resulted in bringing him to the capital to release him on parole. And it appeared that the government of General Diaz had in his recent arrest even treated him with greater consideration, as it had rescued him from the death-penalty which Canales had caused to be pronounced against him in Matamoras, and, according to the public press, had brought him to this city to be acquitted of all blame.

Mr. Vallarta replied that General Diaz was fully impressed with the importance of preserving the peace of the Rio Grande border, as he had so freely expressed to me, and was desirous of doing all in his power to that end; but that up to the present he had not been able to adopt such measures as he desired, owing to the difficulties necessarily incident to

the readjustment of public affairs after the triumph of the revolution. He said that his government agreed with me, that it was desirable to send to that frontier an able and prudent general, with a sufficient Federal force, to co-operate with the American military authorities; but in order to make this co-operation fully effective it was highly desirable, first, to have the official relations between the two governments restored.

I answered, that the peace of that region ought not to be endangered by a delay in sending a federal force awaiting the recognition of General Diaz's government. Mr. Vallarta acquiesced in this, but said that it appeared important that an understanding be arrived at whereby the American and Mexican military authorities might be able to co-operate in their movements against the Indians and other raiders and outlaws, and that such an agreement should be made by or have the approval of both governments, and that the non-existence of official relations stood in the way of such an understanding. He referred to the reported crossing of Colonel Shafter at Piedras Negras early in this month as a violation of Mexican territory, which did not appear to have the justification alleged in his (Colonel Shafter's) recommendation to our government, as the crossing of the river was not in pursuit of either Indians or other raiders, but to demand the surrender of persons arrested in Mexico by its authorities. To which I responded, that I was not authorized to discuss that occurrence, as I had as yet received no information or instructions concerning it; but, from my acquaintance with the treatment which the Rio Grande troubles had received from the Mexican federal and local authorities in the past four years, I was not surprised to be informed that events had occurred which, in the judgment of our military officers, had made a crossing of the border necessary.

Referring to the visit of General Blanco to Matamoras, Mr. Vallarta said that his mission was purely of a political character, growing out of the difficulties existing between Revueltas, Cortina, and Canales; but he did not deny my allegation of the insubordination of Canales, now in command at Matamoras. He stated that this visit had resulted in the removal from that region of General Cortina, who was regarded as one of the chief causes of the border troubles, and that his government considered that as an important step in the direction of pacification, and that whatever might be the treatment he would receive here he would not be permitted to return to the Rio Grande.

Mr. Vallarta was quite earnest in impressing upon me the desirability in this connection of restoring the official relations between the two countries, upon which event, he said, depended the adjustment also of other questions, to which he alluded in passing, but which need not be referred to in this dispatch.

* * * * *

In this connection, it may be proper to refer to the fact that early last year I obtained an assurance from the Mexican Government that it would remove the small bands of Indians in Mexico, near the Texas frontier, to distant points in the interior of the country, and place them under such surveillance as to prevent their raids into Texas.

But the administration of Mr. Lerdo was so occupied with the revolution that it never carried out this resolution. I hope with the establishment of official relations to have this measure, so important for our frontier protection, carried into execution.

I am, &c.,

JOHN W. FOSTER.

No. 4.

Mr. Evarts to Mr. Foster.

No. 385.]

DEPARTMENT OF STATE,
Washington, May 2, 1877.

SIR: Referring to your dispatch No. 522, I transmit herewith for your information, and to enable you to make explanations upon the subject, a copy of a letter, under date of the 19th ultimo, from the Secretary of War, and of the report of General E. O. C. Ord, which accompanied it, in relation to the crossing of United States troops into Mexican territory at Piedras Negras.

I am, &c,

WM. M. EVARTS.

[Inclosure to No. 4.]

*Mr. McCrary to Mr. Evarts.*WAR DEPARTMENT,
Washington City, April 19, 1877.

SIR: I have the honor to transmit for your information the inclosed copy of a report made by General E. O. C. Ord, commanding Department of Texas, on a communication from the Department of State, dated the 21st ultimo, inclosing a copy of a dispatch, dated 9th March last, from the United States consul at Matamoras, suggesting the withdrawal of the United States gunboat Rio Bravo.

Very respectfully, your obedient servant,

GEO. W. MCCRARY,
Secretary of War.

The Hon. SECRETARY OF STATE.

Copy of indorsement and inclosures thereto, containing report or communication from Department of State of March 21, 1877, inclosing copy of dispatch of 9th instant, from United States consul, Matamoras, suggesting the propriety of withdrawing the United States gunboat Rio Bravo, from that place, requesting War Department views in the premises.

[First Indorsement.]

HEADQUARTERS OF THE ARMY,
Washington, March 26, 1877.

Respectfully referred to the commanding general Department of Texas, through Headquarters Military Division of the Missouri, for his opinion and report. These papers to be returned therewith.

W. T. SHERMAN,
General.

[Second Indorsement.]

HEADQUARTERS MILITARY DIVISION MISSOURI,
Chicago, March 29, 1877.

Respectfully transmitted to the commanding general Department of Texas.
By command of Lieutenant-General Sheridan.

R. C. DRENO,
Assistant Adjutant-General.

[Third Indorsement.]

HEADQUARTERS MILITARY DIVISION MISSOURI,
Chicago, April 9, 1877.

Respectfully returned to the Adjutant-General of the Army, calling attention to the objections of General Ord stated in the inclosed report.

P. H. SHERIDAN,
Lieutenant-General Commanding.

Report.

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., April 3, 1877.

SIR: The letter, herewith returned, of Consul Wilson evidently conveys erroneous impressions. The gunboat was ordered to Brownsville, and is not nor has been at a foreign port, that I am aware of, except for a few days. The order was issued, sending her to the station, at the special request of the general commanding the department, made through the general of division and commanding general to the President, and approved by him, the object being to suppress raiding and have ready facilities for crossing into Mexico, so as to seize stolen property, which the so-called authority were averse to or unable to recover. The raiding still continues, and the unreliable character of the local, as also State, authorities is as fully as great, if not greater, than when the department commander applied to have a gunboat stationed at Brownsville.

I visited Matamoras and Brownsville about four months since. General Revueltas, a gentleman and good officer, was then in command at Matamoras, and had been for some six months; but there was a want of harmony and personal good feeling between the consul and the commanding officers, both of the Army and Navy. The military authorities ascribed this to the disposition of the Mexican commanding to consult them rather than the consul, and to the fact that on official or formal reception the consul had not been assigned the first place.

The character for sobriety of the commander of the Rio Bravo was such that I examined into this matter with some care, and I came to the conclusion that the interests of the United States would be promoted if both the consul and the present commander of the gunboat at Matamoras could be placed at some other station. (See my telegraphic report in regard to the request of Texas delegates for the release of one John Jay Smith.) I also recommend that the naval commanders there have authority to hire, when a demand should occur for its use, a light-draught steamboat, such a one as can be found at any time lying alongside the Bravo, that boat being too heavy to get up the river, except at high-water; then the naval detachment could really be of use in suppressing raiding, and could reach objective points up the river. The gunboats furnished her are also too deep for this purpose.

In connection with this matter, I beg to call the attention of the Secretary of State to the evident and recent change in the demeanor of the local and revolutionary authorities along the Mexican borders adjacent to this department. As long as President Juarez or Lerdo were in authority at the center of Mexico, and when the border State authorities pretended to defer to those central governments, there was some respect and good-will shown to the American agents and military commanders along the Rio Grande; but since the last revolution in Mexico the worst elements seem to have come to the surface, and instead of respect or cordiality between the local and revolutionary authorities and that of our government, there is often open and undisguised hostility.

The condition of affairs on this frontier is such as to call for serious consideration, whether it is not now necessary for this government, for the protection of its citizens along this border, to do something besides act as spectator of the contest between guerrilla leaders for mastery in contiguous States of Mexico. Our citizens are being now plundered more than has been customary by the bands of Indians from the opposite side, some of whom exhibit passes from the local authorities, and there seems to have been an offensive alliance entered into between them and the local governor of Coahuila.

Recently, when I learned that the alcalde of Piedras Negras had arrested a couple of guides who had been employed as trailers to follow raiding bands across into Mexico, under authority from the general commanding the Army, and who I learned would probably be executed, I telegraphed for their status. (See reply, marked "A.") I then directed formal application for their release; and Col. Schofield informed me that the alcalde refused, stating that his orders were to imprison all who had guided us in Mexico, (see telegram marked "B.") Upon the principle that if two of our Crow Indian guides were in the hands of the Sioux, we would deserve and receive no respect from the Crow allies, or any other, if we did not make every effort to release our guides, I telegraphed the commander of the district to use his available troops promptly to secure their release. But as the present governor is reputed energetic and prompt in shedding the blood of prisoners, I fear the efforts to release them will be futile.

In Chihuahua I learn that there is a contest waging between Diaz, aided by the wild Indians and other desperate adventurers, and the parties claiming to act under the Diaz faction. The probabilities are that Diaz will win.

I should add, in explanation of the matter of the guides, that a few months since, when Colonel Shafter employed the Mexican guides, the authorities then in power were disposed to encourage his pursuit of the raiding Indians, and consented to his crossing into Mexico. The services of the guides were secured, I believe, through the agency of the American consul, Mr. Schuchardt, who furnished the information lately

that they would probably be summarily executed. (See General Schofield's dispatch, "C." Since writing the above, the dispatches received marked "D" and one sent marked "E.")

Very respectfully, your obedient servant,

E. O. C. ORD,

Brigadier General, United States Army, Commanding.

ASSISTANT ADJUTANT-GENERAL,

Military Division of the Missouri, Chicago, Ills.

P. S.—I would respectfully refer to General Thomas L. Rane, of Kanesville, Pa., who recently visited this country and Coahuila, Mexico, for his views, and to some extent as witness to the terrorism among the frontier settlers on account of the continual raiding and frequent murders committed by the Indians from Mexico.

Respectfully, &c.,

E. O. C. ORD,

Brigadier-General Commanding.

[Telegram.]

WAR DEPARTMENT, SIGNAL-SERVICE, U. S. A.,

United States Telegraph.

Dated Brown, Texas, March 26, 1877. Received at San Antonio, Texas, March 26, 1877, 4.30 p. m.

To TAYLOR, A. A. G.,

San Antonio:

Detachment of Eighth Cavalry from Ringgold, with hide-inspector, captured three cattle-thieves, with seventy head of stolen stock.

DEVINE,

Commanding.

[Telegram.]

General Ord to General Shafter.

HEADQUARTERS DEPARTMENT OF TEXAS,

San Antonio, Texas, April 1, 1877.

Colonel SHAFER,

Commanding District Nueces, Clark:

Send the following to Colonel Taylor or Post Commander Duncan.

Shafter telegraphs that his two late guides are seized and in danger at Piedras Negras. See authorities and call attention that this indicates a determination on their part to protect the raiding Indians. Say that I act by authority from Washington when I pursue them with view to punish them and recover their booty; that parties protecting them become like the principals in the robberies and will be so considered. I have telegraphed Shafter to say to Schuchardt that if the guides claim to be American citizens he, Shafter, must protect them. Use your discretion in communicating the last information to the authorities, for if it becomes necessary to take summary action, perhaps better not warn them.

ORD,

Brigadier General.

WAR DEPARTMENT, SIGNAL-SERVICE,

United States Telegraph, dated Clark, April 1, 1877.

To General ORD, *San Antonio:*

If telegram from Schofield, which I expect to-night, indicates danger of execution of the men, I will be at Duncan to-morrow with Colonel Shafter and sufficient force to release the men. I will give Colonel Shafter the necessary orders in writing and accompany the troops.

TAYLOR,

Acting Adjutant General.

WAR DEPARTMENT, SIGNAL SERVICE, U. S. A.,

United States Telegraph.

Dated Duncan April 1, 1877. Received April 1, 1877.

To General ORD, *San Antonio:*

Schuchardt thinks if the demand for release is made by me as you direct, the authorities will give the men up. I believe they will.

SCHOFIELD.

A.

WAR DEPARTMENT, SIGNAL SERVICE, U. S. A.,
United States Telegraph.

Dated Duncan, April 1, 1877. Received April 1, 1877.

To General ORD, *San Antonio*:

They are in prison at Piedras Negras, held as traitors.

SCHOFIELD.

Schuchardt is in office.

NOTE.—Above in answer to telegram asking status of guides reported in prison.

E. O. C. O.

B.

WAR DEPARTMENT, SIGNAL SERVICE, U. S. A.,
United States Telegraph.

Dated Duncan, April 2, 1877. Received April 2 at 10 a. m.

To General ORD, *San Antonio*:

Saw authorities at Piedras Negras last night, but made no positive demand and no threat; they are decidedly firm, and are acting by authority of governor of State at Saltillo. Governor was notified by courier two days ago of arrest. From this I judge the men will not be sent off unless we alarm them. The governor's order did not designate these two men by name, but was general—regard to all who had guided United States troops into Mexico. Full particulars telegraphed Shafter.

SCHOFIELD.

C.

WAR DEPARTMENT, SIGNAL SERVICE, U. S. A.,
United States Telegraph.

Dated Duncan, April 1, 1877. Received April 1, 1877.

To General ORD, *San Antonio*:

Schuchardt says the authorities will give the guides a sham trial and then shoot them. I will visit Piedras Negras to-night, and see the authorities under your instructions.

SCHOFIELD.

NOTE.—Schuchardt is the American consul at Piedras Negras. By authorities, he means revolutionary alcalde.

ORD.

D.

WAR DEPARTMENT, SIGNAL SERVICE, U. S. A.,
United States Telegraph.

Dated Duncan, April 3, 1877. Received April 3, 1877—10.30 a. m.

To ORD, *Brigadier-General*:

I arrived here with Shafter last night at 10.30 o'clock. At 2 a. m. Shafter moved up the river with three companies of cavalry, and crossed Rio Grande with view of moving down and occupying rear of Piedras Negras. At early dawn, as soon as we could see to move intelligently, Schofield crossed with two companies of infantry. I accompanied the latter command. We were challenged and threatened by small party, but no other opposition was made. The detachment landed, moving rapidly, occupied the main plaza, seizing the jail in which the prisoners were supposed to be confined. The door of the cell was found open as well as the main entrance, and the jail deserted. Shortly afterward the cavalry came in from the rear. The prisoners had, I think, been removed in the early part of the night, the Mexicans having learned that interest was taken by us. Authorities on the river were, no doubt, on the qui vive, and had confederates on

this side to give warning. I do not think any better arrangements than those adopted could have been made. As soon as the fact was discovered that the prisoners had been removed, the town was evacuated. While held no violence was done to any citizen; no shot fired. Everything was conducted in the most orderly and soldierly manner.

TAYLOR, A. O. G.

E.

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Texas, April 3, 1877.

To Colonel TAYLOR, *Fort Duncan* :

Send promptly through alcalde of Piedras Negras, to the governor of Coahuila this:

"The department commander of Texas has learned with surprise that the governor of Coahuila has ordered the arrest of two men who acted as guides to a party of United States troops, in pursuit of wild Indians, who were taking refuge in the mountains of Mexico with stock stolen from the United States. That injuries to these guides for services done the United States Government, or an expedition which was undertaken with the consent of the *de facto* commander of the Mexican forces of the district, cannot but be regarded as a declaration on the part of the present governor to co-operate with the wild Indians, refugees from the United States, in their depredations upon this Territory, and will be so reported to the President. Sign by order. State that this letter is telegraphed."

ORD.

No. 5.

Mr. Evarts to Mr. Foster.

No. 392.]

DEPARTMENT OF STATE,
Washington, May 28, 1877.

SIR: I transmit a copy of a letter of the 16th instant, and of its accompaniments, addressed to this Department by the Secretary of War. It relates to another raid into Texas by Mexicans and Indians from Mexico, the result of which was a theft of two hundred head of cattle.

It is apprehended that the Mexican Government is not well aware that, although for a heavy pecuniary consideration, it has released the United States from the obligations in respect to predatory incursions of Indians from this country into Mexico, the obligations of that government in respect to similar marauders from that country into the United States are entire, as provided for both by public law and by treaty. The duty of that government, therefore, at least to aid in restraining its savages from depredations upon us, seems to be clear. If this duty shall continue to be neglected, we may be compelled in self-defense to disregard the boundary in seeking for and punishing those bandits.

You will make known these sentiments in the proper quarter, but it is not expected that at present you will address an official remonstrance to that government on the subject.

I am, &c.,

WM. M. EVARTS.

[Inclosure to No. 5.]

Mr. McCrary to Mr. Evarts.

WAR DEPARTMENT,
Washington City, May 16, 1877. (Received May 18.)

SIR: I have the honor to transmit for your information a copy of a report of Lieut. Col. W. R. Shafter of a raid by Mexicans and Indians in Texas, carrying off two hundred head of cattle, and beg to invite your attention to the remarks of Lieut. Gen. Sheridan indorsed thereon.

Very respectfully, &c.,

GEO. W. MCCRARY,
Secretary of War.

[Telegram.]

SIGNAL SERVICE, U. S. A. *United States Telegraph.*

Dated Fort Clark, Texas, 1877. Received April 24, 1877.

TAYLOR, A. A. G.,

D. Texas, San Antonio, Texas :

The following dispatch received yesterday from Castroville :

"Party of thirty-five Indians and Mexicans raided through Quibi, Hondo, and New Fountain last night, carrying off two hundred head of horses; trail moving southwest, crosses line eight miles below here."

Immediately upon receipt of this dispatch, Lieutenant Stevenson, with forty men, has been ordered to the Nueces, about sixty miles southeast of Duncan. Company B, Tenth Cavalry, is at Duncan, ready to start in any direction required. Orders were also sent to Lieutenant Van Vliet, in Frio Cañon, to go to Dhanis, take the trail and follow it. Rangers in Nueces Cañon and people at Frio City, also notified three companies cavalry near here, one company at San Felipe and Bullis, between mouth of Devil's River and Pecos, ready to start as soon as I can get definite information as to point they are bearing for.

SHAFTER, *Commanding.*

[Telegram.]

FORT CLARK, TEX., *April 28, 1877.*

TO TAYLOR, A. A. G. :

Department Texas, San Antonio :

Following telegram received :

"Lieutenant Dolan, Texas Rangers, says, 'I followed the Indian trail near Penden-
cia; rained hard and put out trail; think they crossed below Presidio; they have
about thirty-five horses to my knowledge; may have had more. Indians had a fight
with citizens at Lumaville, in which one Indian and one white man was killed.'"
Schofield says: Courier in from Stevenson says several bands Indians in vicinity of
Corisa. Followed one trail of twelve, but lost it in heavy rain-storm. Indians in
small parties are hidden in thick brush watching chance to steal stock. Thinks he can
catch some of them there. Telegrams were received on 26th. To-day VanVliet reports
from Frio City: The recent raids in this section have been committed by a party of six
Indians, who, commencing at Iuihi, worked southwest along the Pecos. They were
pursued from the Lona by a party of herders southwest and one of their number killed
50 miles from here, and 30 head of stock recaptured. This occurred on 23d instant.
The Indians were scattered and could not be overtaken, since which time trail has
been entirely washed out. Stevenson with 40 men of Company K, Eighth Cavalry, and
Dhani's Company, is now on the Nueces trying to hunt up Indians hiding there. Boyd,
with Company B, Eighth Cavalry, is scouting along the river, 35 miles below Duncan,
toward mouth of San Pedro. Don't think they will get off with much stock.

SHAFTER, *Commanding.*

[First indorsement.]

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Texas, April 30, 1877.

A true copy. Respectfully forwarded to the assistant adjutant-general, Military
Division of the Missouri, for the information of the Lieutenant-General commanding.

J. H. TAYLOR,

Assistant Adjutant-General in the absence of the Brigadier-General, Commanding.

[Second indorsement.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, May 5, 1877.

Respectfully forwarded to the Adjutant-General of the Army.

As I have heretofore had occasion to observe, the Rio Grande is a very long and difficult frontier to protect, and notwithstanding the activity of our troops it is found almost impossible, with the means at hand, to prevent these marauding incursions from Mexico, and I recommend that the proper authorities take some steps to require the Mexican government to aid in the protection of that frontier.

P. H. SHERIDAN,
Lieutenant-General, Commanding.

No. 6.

Mr. Foster to Mr. Evarts.

[Extract.]

UNITED STATES LEGATION,
Mexico, May 28, 1877. (Received June 8.)

SIR :

* * * * *

Mr. Vallarta informs me that the President will dispatch to that frontier a prominent and prudent general, with a sufficient Federal force to compel obedience and co-operation on the part of the local authorities, and that the General in command will place himself in communication and act in accord with General Ord in repressing outlawry on that frontier. Mr. Vallarta said his government recognized the importance of the frontier question, and was determined to do all within its power to bring about a satisfactory solution of it.

* * * * *

Very truly,

JOHN W. FOSTER.

No. 7.

Mr. Evarts to Mr. Foster.

No. 393.]

DEPARTMENT OF STATE,
Washington, June 4, 1877.

SIR: Referring to the previous correspondence upon the subject, I transmit herewith a copy of a letter, under date of the 1st instant, from the Secretary of War, and of its accompaniment in relation to the suppression of raids by marauding parties from Mexico across the border into Texas.

I am, &c.,

WM. M. EVARTS.

[Inclosure to No. 7.]

*Mr. McCrary to Mr. Evarts.*WAR DEPARTMENT,
Washington, June 1, 1877.

I have the honor to transmit, herewith, for your information, a copy of instructions issued to General W. T. Sherman, commanding the Army of the United States, in relation to the suppression of raids, by marauding parties from Mexico, across the border into Texas.

Very respectfully, &c.,

GEO. W. MCCRARY,
*Secretary of War.**Secretary of War to General Sherman.*WAR DEPARTMENT,
Washington, June 1, 1877.

GENERAL: The report of W. M. Shafter, lieutenant-colonel, Twenty-fourth Infantry, commanding the district of Nueces, Texas, concerning recent raids by Mexicans and Indians from Mexico into Texas for marauding purposes, with your indorsement of the

29th ultimo, has been submitted to the President, and has, together with numerous other reports and documents relating to the same subject, been duly considered.

The President desires that the utmost vigilance on the part of the military forces in Texas be exercised for the suppression of these raids. It is very desirable that efforts to this end, in so far at least as they necessarily involve operations on both sides of the border, be made with the co-operation of the Mexican authorities; and you will instruct General Ord, commanding in Texas, to invite such co-operation on the part of the local Mexican authorities, and to inform them that while the President is anxious to avoid giving offense to Mexico, he is nevertheless convinced that the invasion of our territory by armed and organized bodies of thieves and robbers to prey upon our citizens should not be longer endured.

General Ord will at once notify the Mexican authorities along the Texas border, of the great desire of the President to unite with them in efforts to suppress this long-continued lawlessness. At the same time he will inform those authorities that if the Government of Mexico shall continue to neglect the duty of suppressing these outrages, that duty will devolve upon this government, and will be performed, even if its performance should render necessary the occasional crossing of the border by our troops. You will, therefore, direct General Ord that in case the lawless incursions continue he will be at liberty, in the use of his own discretion, when in pursuit of a band of the marauders, and when his troops are either in sight of them or upon a fresh trail, to follow them across the Rio Grande, and to overtake and punish them, as well as retake stolen property taken from our citizens and found in their hands on the Mexican side of the line.

I have, &c.,

GEO. W. MCCRARY,
Secretary of War.

No. 8.

Mr. Evarts to Mr. Foster.

No. 335.]

DEPARTMENT OF STATE,
Washington, June 21, 1877.

SIR: I transmit a copy of letters to this department from the Secretary of War, of the 13th, 15th, and 16th instant, with their accompaniments. They relate to a conflict between troops in the service of Diaz and other forces, supposed to be in the interests of Lerdo, on the Rio Grande frontier. It seems that the Diaz troops, after defeating and routing their adversaries on Mexican soil, pursued them into Texas, where they again attacked and dispersed them. This was a violation of the territory of the United States which you will lose no time in remonstrating against.

While it is deemed hardly probably that this unjustifiable invasion of American soil was made in obedience to any specific orders from the Mexican capital, it is, nevertheless, a grave violation of international law, which cannot, for a moment, be overlooked. You are instructed to call the attention of the officers of the *de facto* government with whom you are holding unofficial intercourse, to this case, and to say that the Government of the United States will confidently expect a prompt disavowal of the act, with reparation for its consequences, and the punishment of its perpetrators.

I am, sir, &c.,

WM. M. EVARTS.

[Inclosure 1 in No. 8.]

Mr. Crosby to Secretary of State.

WAR DEPARTMENT,
Washington City, June 13, 1877.

SIR: I have the honor to transmit for your information copy of a telegram from General Sheridan, communicating a dispatch from the adjutant-general, Department

of Texas, relative to two engagements alleged to have taken place between Mexican troops and revolutionists under Valdez, the first occurring on the Mexican side, the latter on the American side of the Rio Grande; also a copy of a telegram to General Sheridan communicating the action of the President in the premises.

Very respectfully, your obedient servant,

H. T. CROSBY,
Chief Clerk.

[Telegram.]

CHICAGO, June 12, 1877.

(Received, Washington, June 12, 1877, 1.30 a. m.)

To General E. D. TOWNSEND,
Washington, D. C.:

The following dispatch from the adjutant-general, Department of Texas, has just been received and is forwarded for the information of the General of the Army. I would state that the recent telegram from the General of the Army, enjoining a greater degree of caution upon General Ord, was immediately transmitted to him. The man Valdez, referred to in Captain Kelley's dispatch, is, to the best of my recollection, a revolutionary leader in Mexico. He was at one time driven to the American side of the river at Eagle Pass, where he surrendered himself and his troops and was sent as a prisoner to San Antonio, and afterwards released. I think that he is now at the head of a movement in the interests of ex-President Laredo, (Lerdo,) and probably has his backing at San Antonio, where General Escobedo has recently been staying. I presume that the two engagements which Captain Kelley says occurred, one on the Mexican side of the Rio Grande and the other upon our side, took place between some parties commanded by Valdez and the regular troops of the Diaz government. I apprehend nothing from this affair save the ordinary confusion incident to the Rio Grande frontier.

P. H. SHERIDAN,
Lieutenant-General.

SAN ANTONIO, TEX., June 12, 1877.

The following just received, and answered not to cross:

"FORT CLARK, June 11, 1877.

"To General ORD, San Antonio:

"Following just received. My men will be ready to start by midnight. Shall I cross the Rio Grande in pursuit of these troops and attack them if I can overtake them? Please answer at once.

"RAFTER (SHAFTER?)
"Commanding Post.

"SAN FELIPE, June 11, 1877.

"To ACTING ASSISTANT ADJUTANT-GENERAL,
"District of Nueces:

"I have the honor to report that a few moments ago three men of the commands of Winkar and Valdez came into camp in great haste reporting that yesterday while in camp in Mexico, not far from the mouth Devil's River, they (Winkar's command) had an engagement with Mexican regular troops, and being defeated fled to the American side of the river and encamped near Painted Caves, about the vicinity of Lieutenant Bullis's old camp. They report that to-day about noon they were attacked in camp by the Mexican troops, and before they had time to escape many were killed. The Mexican troops numbered about 400. Any refugees will be retained in camp here until I receive orders concerning them. I start with all available men—thirty-five—to the scene of the attack. Colonel Martinez is one of the men here.

"J. M. KELLEY,
"Captain Tenth Cavalry."

General Ord left here this morning for Eagle Pass.

TAYLOR,
Acting Adjutant-General.

[Telegram]

HEADQUARTERS OF THE ARMY, ADJUTANT-GENERAL'S OFFICE,
Washington, June 13, 1877.

Lieutenant-General P. H. SHERIDAN,
Commanding Division Missouri, Chicago, Ill.:

Your dispatch of 12th, concerning crossing of Mexican troops into Texas, read to the President, and orders for our troops not to cross approved.

E. D. TOWNSEND,
Adjutant-General.

[Inclosure 2 in No. 2.]

Mr. Crosby to the Secretary of State.

WAR DEPARTMENT,
Washington City, June 15, 1877.

SIR: I have the honor to transmit, for your information, a copy of a telegram from Lieutenant-General Sheridan dated the 15th instant, reporting that Colonel Shafter has interned a number of Mexican soldiers recently engaged in conflicts on the Rio Grande, and who fled to our side of the river; also a copy of the reply of the Adjutant-General of the Army to General Sheridan's question as to what disposition should be made of the persons above referred to.

Very respectfully, your obedient servant,

H. T. CROSBY,
Chief Clerk.

[Telegram.]

CHICAGO, June 15, 1877.

(Received, Washington, June 15, 1877, 12.40 p. m.)

To General E. D. TOWNSEND,
Washington, D. C.:

Colonel Shafter, commanding at Fort Clark, Texas, has interned two colonels, two lieutenant-colonels, five captains, and forty-five privates, Mexicans recently engaged in conflicts on the Rio Grande, and who fled to our side. What shall be done with these prisoners? I doubt if they are worth the rations which we will be obliged to issue to them if we keep them.

P. H. SHERIDAN,
Lieutenant-General.

[Telegram.]

HEADQUARTERS OF THE ARMY,
Washington, D. C., June 15, 1877.

Lieutenant-General SHERIDAN,
Commanding Division Missouri, Chicago, Ill.:

Your dispatch concerning interned Mexicans has been submitted to the President, who directs that, if necessary to preserve peace on the borders, they be kept under the present restraint and rationed until further orders.

E. D. TOWNSEND,
Adjutant-General.

[Inclosure 3 in No. 2.]

Mr. McCrary to Secretary of State.

WAR DEPARTMENT,
Washington City, June 16, 1877.

SIR: I have the honor to transmit, for your information, a copy of a telegram of the 11th instant from General Ord, stating that he had anticipated the order not to cross into Mexico, and given instructions accordingly. He repeats a telegram from Mr. Schuchardt concerning Areolo and his band; and states that the central government has no troops to maintain its authority on the frontier.

Very respectfully, your obedient servant,

GEO. W. MCCRARY,
Secretary of War.

[Telegram.]

SAN ANTONIO, June 11, 1877.

General DRUM, Chicago:

Telegram regarding raids received. Anticipated that orders (to) cross might stir up central authority. Instructions had been sent to meet such action. At present central Mexican Government not troops to maintain its own authority on frontier. Following shows:

"EAGLE PASS, June 4, 1877.

"To Colonel SHAFER, Fort Clark, Tex.:

"Areola, a noted bandit, terror of all parties, with thirty men, is in the oak timber at La Frieta y Una, a creek that empties about seven leagues above San Felipe into the Rio Grande valley—anti-Diaz. Surprised a detachment at San Juan de Sabinas, captured a lot of horses and arms, and eight prisoners. General Trevino, of Diaz's faction, is at Santa Rosa. An American who came yesterday from Monclara says there is not over 200 regular soldiers between here and Saltillo.

"WM. SCHUCHARDT."

ORD,

Brigadier-General Commanding.

[First indorsement.]

HEADQUARTERS MILITARY DIVISION MISSOURI,

Chicago, June 13, 1877.

Respectfully forwarded to the Adjutant-General of the Army.

P. H. SHERIDAN,

Lieutenant-General Commanding.

No. 9.

Mr. Foster to Mr. Evarts.

[Telegram.]

MEXICO, June 21, 1877.

Hon. WILLIAM M. EVARTS,

Secretary of State, Washington:

Mexican minister of war issued order on 18th, occasioned by Secretary McCrary's instructions to General Ord, but was not made known to me till after departure of steamer's mail. It orders General Trevino and northern division of army to frontier at once, to prevent raids into Texas and repel with force any invasion of Mexican territory by American troops. It characterizes instructions to Ord as violation of treaties, of rules of international law, and even of practice of civilized nations, and as an insult sought to be inflicted on Mexico.

JOHN W. FOSTER.

(Via Brownsville, June 28.)

No. 10.

Mr. Foster to Mr. Evarts.

No. 552.]

LEGATION OF THE UNITED STATES,
Mexico, June 21, 1877. (Received July 16.)

SIR: I inclose herewith a copy and translation of the instructions of the Mexican minister of war, dated on the 18th instant, addressed to General Trevino, commanding the division of the north of the Mexican

army. These instructions are occasioned by the receipt of a copy of Secretary McCrary's order to the General of the Army containing the instructions to General Ord in reference to preventing the raids from Mexico into Texas.

In view of the extraordinary character of the inclosed order, I have protested to the minister of foreign affairs against its unwarranted assertions in regard to the action and intention of our government, and have stated that I regard its spirit as unfriendly and calculated unduly to excite and prejudice the Mexican people against the United States.

I am, &c.,

JOHN W. FOSTER.

[Inclosure in No. 10.—Translation.]

Order of Mexican minister of war.

DEPARTMENT OF WAR.

The United States War Department has issued an order on the 1st instant, a translated copy of which I herewith inclose, authorizing the troops of that country to invade our national territory, with the object of pursuing the evil-doers to which it refers, to capture the same, punish them, and recover the property stolen from the United States citizens. Although the plenipotentiary of Mexico at Washington, who protested against that order on account of the offense that it implies toward our country, assures the foreign department by telegraph that he has received friendly explanations from the American Government, the President thinks that the honor of the country will not be satisfied except with a modification of the said order, in such terms that it shall not be in contradiction, as it is now, with the treaties in force between Mexico and the United States, with the rules of international law, and even with the practice of civilized nations.

The President has already disposed what is convenient in order that the serious questions to which that order has given rise be treated in a suitable form and manner with the Cabinet of Washington; but as its urgency on the frontier of the neighboring republic may occasion conflicts between the two nations, even before those questions can be discussed, the same supreme magistrate has deemed it his duty to communicate to you, as commander of the line of the north, certain instructions which may prevent as far as possible the said conflicts, or at least in an extraordinary case preserve the honor and dignity of the republic.

Therefore the President determines that as soon as you receive the present communication you shall order the division under your command to be situated at such points as you may deem convenient, with the object of protecting the Mexican frontier, and preventing that the robbers of either side of the Rio Grande shall remain unpunished for the mere fact of crossing the river. To this effect you will, with the utmost zeal and activity, pursue the evil-doers that may commit any robberies on Mexican territory who seek to escape to the United States, as well as those who, committing any robberies in the neighboring country, shall come to Mexico fleeing from justice, and seeking impunity in our territory.

These prosecutions which you may order shall only be made within the limits of the republic, and once that the criminals shall have been captured, you will place the same at the disposition of the competent courts.

Mexico has celebrated with the United States an extradition treaty, which was published on the 20th of May, 1862. This treaty is in full force, and you will subject your conduct to the same, whenever any criminals captured by your forces be claimed by the military or civil authorities of the neighboring republic, and those that may have committed any of the offenses stipulated in said treaty. Whenever, in order to effect the pursuit referred to, it be necessary to act in accord with the military or civil authorities of the United States, you will invite the same so that they may co-operate with you toward the success of the respective operations.

And when you, on the other hand, receive a like invitation from the said authorities, you will zealously endeavor to accede to it, doing everything in your power in order to capture the criminals. This agreement between the commanders and authorities of both countries shall in no case authorize the passing of foreign troops into our territory, an authorization which cannot be granted even by the President of the republic, because fraction 16, article 72, of the federal constitution reserves it exclusively

the Congress of the union. In obedience to that law, you will by no means consent that the troops of the United States enter our territory, and out of respect to sovereignty of that republic, you will likewise prevent Mexican forces from trespassing on foreign soil.

At the shortest possible time you will communicate to General Ord, or to the superior commander of the United States forces on the frontier, these instructions, acquainting him at the same time with the dispositions you may dictate, in order to render them effective. You will also endeavor to accord with the said commander with regard to the operations to be undertaken in combination with him for the capture of evil-doers and their most effective punishment, giving him to understand that the desires of the President on this point have no other restrictions than those imposed upon him by international law, the treaties now in force between the two countries, and the dignity of the republic. And, as a consequence of those restrictions, you will inform the said commander that as the Government of Mexico cannot allow a foreign force to enter the national territory without the consent of the Congress of the union, and much less that the said force shall come to exercise acts of jurisdiction, as those expressed in the order of the United States War Department, you will repel force by force should the invasion take place.

In dictating this extreme measure the President has had in view those considerations which no Mexican can forego when the defense of the national honor is in question. The Supreme Magistrate of the republic believes that he faithfully interprets the feelings of the Mexicans if he accepts the situation in which he is placed rather than the humiliation of an offense which would reduce Mexico to the condition of a barbarous country, and beyond the communion of international law. The President does not wish, however, that the attitude assumed by the soldiers of the republic in front of troops trespassing upon our territory, infringing international law, be reputed as an act of hostility toward the United States, but that it be considered as the exercise of the legitimate right of self-defense that appeals to arms only in the extreme case when amicable means are unavailable to make it respected.

This is not the proper time, nor is it of the incumbence of this department to discuss the order of the United States War Department showing the errors contained in Colonel Shafter's report, which has given rise to the same, nor inquiring into whether the Mexican Government has neglected its duty in preventing on its part the depredations of the marauders on the frontier, a reason or motive appealed to by the American Government in order to take upon itself the fulfillment of that duty, ordering even the invasion of our territory. In order to treat this matter conveniently the necessary instructions have been given to our minister at Washington.

I request you to appoint a commissioner *ad hoc* near the American commander, who shall express to him what I have here stated. Send to the said commander by that commissioner a certified copy of this communication so that he may become thoroughly acquainted with the measures dictated by the government of the republic.

I deem it unnecessary to recommend to you the faithful and exact fulfillment of the instructions I hereby communicate to you by order of the President; our national honor is therein interested, and this suffices to expect of your patriotism to act with the prudence demanded by this serious question, in order to avoid any cause of conflict between the two countries; acting, however, with due energy, and repelling by force the insult that it is being sought to inflict on Mexico by the invasion of her territory.

City of Mexico, June 18, 1877.

PEDRO OGAZON.

To the General of Division, GERÓNIMO TREVIÑO,
In command of his forces, Piedras Negras.

No. 11.

Mr. Foster to Mr. Evarts.

No. 554.]

LEGATION OF THE UNITED STATES,
Mexico, June 22, 1877. (Received July 16, 1877.)

SIR: The feeling which has been manifested by the Mexican public upon the publication of the instructions to General Ord in regard to the Rio Grande frontier has been most intense. That which has contributed most to fan this feeling into a flame has been the order of the Mexican

minister of war to the commander of the northern division of the army, which order I inclosed in my No. 552.

As indicating the temper of the public mind I inclose herewith articles from the leading newspapers published in this capital upon the subject.

I am, &c.,

JOHN W. FOSTER.

[Inclosure 1st n No. 11.]

[From La Epoca—Diaz administration.]

THE DIFFICULTIES WITH THE UNITED STATES OF THE NORTH.

At this moment it is difficult, if not impossible, to judge with calmness what is passing between Mexico and the United States of the North. Nevertheless it is our duty to examine every question with impartiality, and we will now comply with our obligations as far as it is possible.

The origin, or the pretext at least, of these difficulties are the depredations which it is said are committed on the American side by bands of robbers organized on this side of the Bravo, (Rio Grande.)

The pretext, which is presented as a motive for the hostilities which the American Government has really declared against Mexico, contains the explicit defense against the charges made against her.

As Mr. Iglesias says in his protest, it has been demonstrated by facts, with which the American Government is acquainted, that said invasions are reciprocal. Sometimes the robbers pass from Mexico to the United States; at others they come from Texas to Mexico. As a proof of this truth, we can cite a case which came to the notice of the department of foreign affairs. Some marauders having been apprehended by the Mexican authorities, it was found that they had arms and overcoats belonging to the United States.

We should suppose that the government has always been animated by a lively consciousness of its international duties, and for this reason, if it did not prevent the depredations of its citizens on Mexican territory, it was not because it did not wish to do so, but because it could not, notwithstanding its immense elements of strength and power. And this is the truth; that immense zone is a desert, and a numerous army would not be sufficient to absolutely prevent evil-doers in either country from committing depredations on pacific people on both sides of the Rio Bravo. The fact, then, that the American Government, feeling its impotence to protect its own household, demands of us, placed as we are by misfortune in conditions inferior in power to it, to do what it cannot do, is an unpardonable act, a scandalous abuse of brute force. These considerations become the more serious when we remember that this same government, far from facilitating our action on the frontier, has permitted conspiracy and the organization of bands of marauders. That these individuals have been conspiring against the established government, and that Winkar has entered Mexican territory at the head of a band organized in the United States, is public and notorious in Texas and in the whole world.

If the government of that country considers that it has sufficient power to prevent such aggressions, why did it not prevent that which we have just mentioned? If it recognizes the fact that it is impotent to comply with its international duties, why does it demand of Mexico what is beyond the power of either government?

The injustice with which President Hayes has proceeded marks an epoch of decay in the United States. A noble spirit of justice has always characterized the American people, and the fact that now, at the very time that Winkar's invasion is commented on by the newspapers of both countries, something is demanded of Mexico which the United States has not been able to do in this same case of Winkar, causes it to be feared that the conscience of the great country of Washington and Lincoln which, with so much eloquence was interpreted by Hamilton, Madison, Daniel Webster, and a hundred others, is becoming relaxed and lost, to the misfortune and shame of the great republic and American civilization.

We should, however, hope that the American people will not forget, on this occasion, the principles to which they owe their greatness, and will bear in mind that their first duty to themselves and to all others is to be just. The foregoing considerations surely prove that, on this occasion, the American Government has on its side neither reason nor right, and that its conduct is unworthy of the great people which it so illy represents. Our manner of proceeding should be different; if that government is distinguished by a forgetfulness of principles by which its actions should be shaped, ours should be the mark of dignity, of justice, and of the nobility of our race.

We have two classes of obligations in this question, some to the dignity of our country, others to the American people. We should comply with both with seriousness, with pleasure, as is the duty of citizens of a republic. At this moment we cannot do less than energetically condemn, for the honor of our country, the depredations committed by parties organized in our territory.

The duties of neighborhood oblige us to pursue to the death those evil-doers, and to contribute with the American authorities to protect the people of the United States, in person and property, who may be threatened by robbers from this side of the Bravo, (Rio Grande.) We can never employ sufficient energy in the fulfillment of the duty in order to demonstrate to those who have assisted the machinations of Winkar and his accomplices, that we are conscious of our international obligations.

Neither can we forget that the dignity of our country demands that we should protest against the unlawful order of President Hayes, preparing to employ all our power to resist by force the aggression of force. The government elevating to the height of civilization has placed itself in the position necessary to comply with both duties. It orders General Treviño to pursue the evil-doers, and at the same time he is commanded, in case of an invasion, to employ the arms of the republic against the invaders. In another part of this paper our readers may inform themselves of the communications to which we refer. They reveal the serene dignity with which our government is conducting itself, and which we do not doubt will draw to it, not the support of a party, but all Mexicans who hold in esteem their own names and the honor of their country. A tortuous, arbitrary, low, and ruinous policy is maintained toward us by the animosity and strength of the great and enlightened American people. If, as we do not expect, that nation should forget its principles and not condemn what has been done by its President, we will let them see that we bear them in mind, and, while we oppose force to force, we comply nobly and tranquilly with our international obligations. The orders of the minister of war amply fill these conditions, and we cannot do less than render a tribute to the President of the republic and to the ministry, of our sincere praise on account of the dignified attitude the government has assumed in the question which we have discussed in this article.

[Inclosure 2 in No. 11.]

[From the Federalista—Lerdist.]

The order communicated to General Ord, and which we published yesterday, involves a serious offense to the national dignity and to the sovereignty and independence of Mexico. This is unquestionable. It is, besides, a step violent and unmediated in form, on the part of the government that authorizes that offense against a friendly nation. According to the Constitution of the United States, the sanction of Congress is required in order to declare war; and the most elementary principles of international law are enough to convince one that an order which authorizes the armed invasion of a foreign territory is equivalent to a declaration of war, no matter what the pretext invoked.

The aspect which affairs have assumed cannot be considered in any other manner, since the text of the instructions sent to General Ord by the War Department of his country have been made known.

As was natural these events have deeply moved national feeling and awakened the love of country, which had become somewhat weakened by our civil dissensions; its manifestations have not been delayed on the part of the press, and they would have been more flattering to sincere patriotism, had not some newspapers mixed in these manifestations the name of President Sebastian Lerdo de Tejada, to which personage machinations contrary to the independence of Mexico are attributed. In his name and in that of all of his partisans, we protest against such unmerited charges. We do not need the language of patriotism to vindicate the immaculate patriotism of President Lerdo de Tejada, nor that of the worthy Mexicans who accompany him in a foreign country, because his name alone is a guarantee of his sacrifices and of his loyalty to our beloved country.

We think, and have well-founded hopes, that this conflict will terminate in a manner worthy of and honorable to two civilized nations; but if fate should reserve new trials for the national patriotism, our resolution will not be delayed. We would not be Diaz men; we would be Mexicans; and it would be sufficient to see a Mexican raise the national banner in front of the foreigner for us to rally around him in union with all those who form the Lerdist party. In the presence of danger to the country we would recognize no insignia but that of Mexico.

[Inclosure 3 in No. 11.]

[From the Pajaro Verde—Conservative or Catholic.]

THE NATIONAL PARTY.

The Mexican press, without distinction of party sympathies, presents to-day a spectacle at once grand, imposing, worthy in every way of praise, consideration, and respect. The question now refers to the integrity of the Mexican territory, respect to its flag, which the Government of the American Union, possessed of a pride unworthy of a free people, who profess the greatest respect for the treaties of amity and good fellowship between the two sister nations, so cowardly pretends to degrade.

A unanimous sentiment of indignation and lofty pride is to-day reflected by the whole of Mexican society on learning the text of the orders communicated by President Hayes to General Ord, military commander of the line of the Rio Grande.

Can a friendly republic which calls that of Mexico sister, at any time within the limits of international law, give in an official document permission for the violation of treaties, for the trampling upon of international rights?

None but the American Government, the government of that country of insatiable traders whose motto is "time is money," could claim the *right of force* in order to legitimize the *force of right*. Said government believing itself the arbitrator of the destinies of the world, because the particular qualities of the soil have caused it to flourish in a region where it has never had a barrier, abusing its apparently exhaustless resources like the autocrat of the Russians, launches its insult at an independent and free nation because it considers it too weak to oppose its annexation intentions.

Is the government of the American people unaware that Mexico is the country that gave birth to the man who said "I may break, but never bend?" Are the people of the American Union ignorant of the fact that, in casting the gauntlet to the Republic of Mexico, they cast it to Latin America, and that at the proper time this republic will have on her side all the nations of the Old Continent of her tongue and race?

Mr. Hayes, the President by bribery, does not know that General Diaz had, at his orders, in the month of last November, sixty thousand men with which to overthrow President Lerdo de Tejada. How many could he collect to fight the foreigner as soon as the American invasion is a fact? At that time it was a civil war; all were Mexicans; public opinion was divided; but to-day things are different; the national honor, the integrity of the territory, the pride of race are affected, and each Mexican will be a soldier who will march to defend his home, his wife, his children. There is no sacrifice that will not be made, and the whole nation will go forth to the combat firm, compact, united as one man. Mexico has no navy; Mexico is divided; Mexico is poor and worn out; she is not prepared for war, can be alleged by the American Government, but we can reply, reverting to history, "That what Mexico never was prepared for is peace."

It is true that Mexico has no navy, but friendly nations of her blood, race, and language have. Mexico is poor; her treasury is exhausted, it is true, but it is also true that the Mexican is frugal, enduring, and, in order to fight, only needs what he has in great abundance—heart and fearlessness. Mexico cannot present great masses of men. This we confess; but, on the other hand, she can present innumerable guerrillas that will weaken and fatigue the invading army, however numerous it may be, causing it infinite losses. Lastly, Mexico has at her head General Porfirio Diaz, and he, animated by the purest sentiment of patriotism, can dispose at his will of the whole nation, in order to wash away the stain that may be made by the American people. This we have seen in his order to the general of the division of the Bravo, (Rio Grande,) "Repel by force the insult it is sought to inflict on Mexico by invading her territory." In these brief words the worthy general-president has condensed the aspirations of the Mexican people, comprehending, as he does, the elevated mission confided to him.

It only remains for us to revert to the title of this article: Mexico, divided, torn, attenuated by civil strife, offers herself to-day to General Diaz united, compact, strong, patriotic, determined to sustain her rights, opposing the unworthy intentions of the Government of the American Union. General Diaz has it in his power to raise, create, unify the national party, essentially Mexican, employing the powerful elements of which it is composed to give a severe lesson to the nation which in its satanic pride desires to make itself lord and master of the whole of America. Let General Diaz accept the patriotic sentiment of the Mexican people, who are noble in their pride and worthy in their misfortune. Let him endeavor to strengthen relations with all the nations of his race and tongue whose sympathies have been demonstrated for him on more than one occasion, with the assurance that his grateful country will erect altars to him in the hearts of its sons.

The present situation is one of national honor, and worthily have the Mexican people responded. In the presence of the common enemy all are brothers; the same senti-

ment impels all—the defense of the flag, the integrity of the country. The purest sentiments animate to-day Mexican society, which is impatient to see what turn will be taken by the difficult and delicate question provoked by the American Government; but this does not prevent General Diaz from having left to him all the liberty of action required in such a serious case, all feeling sure that the national honor confided to his burning patriotism will emerge unscathed from the present conflict.

[Inclosure 4 in No. 11.]

[From the Monitor Republicano—Independent, Opposition.]

THE AMERICAN INVASION.

Public attention has been very much excited by the news of the projected American invasion brought by the last packets.

After our civil wars, after our social decay, after all our political misfortunes, we have before us, we have over our heads, the formidable threat of a nation that not without reason has been called the American colossus.

The press of the United States is at this moment discussing the propriety or impropriety of the policy President Hayes is pursuing with respect to a country weak, but jealous of its independence. The Mexican press will unanimously repel the unjust aggression which, with a political view, is falling over our country.

Every evil, every misfortune, appears to have been let loose against us; this is the moment to resort to that holy passion called patriotism, to avoid the catastrophe. Poor Mexico! It was not sufficient for you to see your fields laid waste and your sons decimated by civil strife; it was necessary that a nation that called itself a friend, should select the most painful crisis in order to discharge on you the weight of its strength.

We are very fearful that the negotiations that are to be commenced with the American generals, and the government of that country will not have a happy result. It is the general opinion that President Hayes needs to withdraw the public attention from the irregularities of his election, and to provoke a war that will permit him to maintain an army sufficiently respectable to meet every emergency.

The newspapers that support our cause inform us that even the superstition of the people has been worked on by making them believe that a locust having its wings in the form of a "w" proclaims or foretells war. The giant has, then, allowed the idea to flit across his brain of annihilating us under his powerful hand; and if he has not already done it, it perhaps is because the nineteenth century is destroying the doctrines of the right of conquest, and because they who attempt to destroy the nationality of a people are condemned at the bar of civilization.

We have wasted our political and social vitality; we have been destroying and annihilating ourselves, while our powerful neighbor has gone on prospering under the development of its just and liberal institutions, and the hour of peril has come, finding us more than ever exhausted of blood, and with only the vigor inspired in every Mexican by the love of his country, his nationality.

This is not the time for rancor and political odium; we should rally under our flag, and give each other a brotherly embrace. General Diaz has already answered the first menace of the neighboring nation, and in truth the note of our minister of war is dignified, energetic, and forms a strong contrast with the order in which General McCrary orders the invasion of our territory *if circumstances make it necessary*. "You will repel force by force in case the invasion takes place," is the order given to General Treviño, as it is, indeed, the duty of the Mexicans; in complying with it, it may be that they will not be triumphant, but they will have the satisfaction of sustaining the dignity of the country.

General Diaz in his notable communication to the chief of the division of the frontier, exhausts all the means of conciliation. He seeks an agreement as far as he can without sacrificing honor. He endeavors to remove the pretext in whose name this war is presented, and lastly, accepts the extreme situation, repelling by force of arms, if it should become necessary, the unjustifiable aggression which, not the whole American people, but a party predominant there, wishes to impose upon us. General Diaz has then complied with his duty. We who have not hesitated to attack his conduct when he has deviated from the law, take great pleasure in confessing that his first step in this very delicate question is worthy, and it is at the same time prudent.

The world which has again to turn its attention to a drama which is preparing between a powerful and a feeble nation—the world will see that the Mexican nation accepts the challenge without insolence, without arrogance, resigned to what may come, with a consciousness of its right and with faith in its good cause. If the north abusing its strength; if forgetting the treaties in force; if unmindful of the rules to which civ-

alized nations are subjected by international law, should invade our territory, then Mexico will have to comply with the duty of dignity by opposing force to force, not permitting the violation of its rights before having fought—seeking more than victory, the satisfaction of its own decorum.

The peril is here, but in order to avert it warlike preparations are not sufficient; what is needed above all things is union among Mexicans. The last American invasion surprised us in the midst of civil discord. We should now avoid that scandal, which will not only debilitate us, but make our beautiful, our holy cause less sympathetic to the world.

Exactly at this moment, discord among the Mexicans is more than ever a fact. The Diaz party is completely divided, the Lerdist party does not abandon its intentions; the conservatives raise the banner of political hate; but we more than hope, we are certain the voice of patriotism will draw us together, forgetting everything in the presence of the wounded national dignity.

The government of General Diaz has now upon it the most terrible responsibility. It should more than ever be circumspect in internal affairs and external questions; it should more than ever endeavor to secure the union of the Mexicans, and this union, let us not forget, can only be secured by respect to the law.

[Inclosure 5 in No. 11.]

[From the Colonia Española.—Spanish.]

THE QUESTION BETWEEN MEXICO AND THE UNITED STATES.

* * * * *

If we have been sparing in words we would not be in acts, if the occasion should arrive. From sympathy and from conviction we would be on the side of Mexico.

The questions between Mexicans and Spaniards are family quarrels that can always be amicably terminated. The questions of race are more serious.

We are Spaniards; after Spaniards we are Latins. And before Spaniards and Latins we are the lovers of justice. Hence justice being on the side of Mexico we will be on every account, and on her side will be the majority of our countrymen.

Nothing is yet known with respect to the attitude that will be taken by the United States.

Be it what it may, the danger is not great, if the Mexicans lay aside their differences and unite as one man. Mexico can present on the battle-field two million men. They will not be tried soldiers, they will not have military instructions, but the Yankees cannot oppose an army practiced in great maneuvers.

They may present an army of guerrillas, that can be defeated by another of the same class, and the Mexicans have on their side familiarity with the ground, knowledge of the resources of the country, and the holiness of their cause. From the next number we will commence to publish a treatise on *guerrilla tactics*, which will be very useful to the people. If the press will copy our articles in order to disseminate their instructions the more speedily, they will do a service to their country. Even if hostilities should not immediately break out with the United States, they will come later. It is the destiny of Mexico and it is proper to be prepared.

[Inclosure 6 in No. 11.]

[From the Two Republics.—American.]

THE ORDER OF GENERAL ORD.

Understanding the friendly feelings of the American Government toward Mexico, we have viewed the order recently given to the American commander on the Rio Grande frontier in a very different light from the construction given to it by the press of this capital. Our colleagues evidently do not understand the spirit, object, or meaning in which it was given. Upon critical examination they will see that it is not positive or definite, but is provisional, guarded with many precautions and conditions. General Ord is instructed, first, to confer with the Mexican authorities as to the best manner to proceed in suppressing the raids upon American citizens and their property; secondly,

to invite said authorities to co-operate in the effort to put an end to these depredations; and, lastly, if the Mexican authorities fail to counsel and co-operate with him, and when the raiders are in the act of carrying off the property of American citizens, and being pursued by United States troops cross over into Mexico, the latter are ordered to pursue the robbers; not to commit a military invasion, to menace or disturb peaceful Mexican citizens, but to apprehend public robbers and recover stolen property. The latter alternative may never be resorted to, and this is highly probable if the Mexican authorities will, as we feel assured they will, counsel and co-operate with the American commander.

The course of the American Government has been prompted by the highest duty which it owes to its citizens after many years of forbearance, and has been directed in a spirit of delicacy and good-will toward Mexico.

[Inclosure 7 in No. 11.]

[From the Siglo XIX.—Independent.]

DUTIES TO THE COUNTRY.

If the orders given to General Ord by the government at Washington with respect to Mexico are highly serious, they have at least served to demonstrate that the sacred fire of patriotism remains intact in the valiant hearts of the sons of the country.

It is not an immediate war that threatens us. We have not yet entered the period of a real conflict; it is not right for us to cast off the hope that the difficulties that have arisen between the two republics may reach a peaceable, proper, and even cordial solution. The way of pacific and dignified negotiations is still open, and nevertheless manifestations in favor of our nationality and our independence are reproduced on all sides, and reveal noble and loyal sentiments.

Civil war has consumed us; society is continually in a bad condition; we live in constant revolution; brother has forgotten brother; friend has forgotten friend; the father the son; the son the father; the family is divided; the law is shipwrecked; justice hides her face. But in the midst of this painful confusion a voice is heard that says "The country is in danger," and immediately is perceived a general movement that seeks one common center of salvation, and that marks the line towards which all lines are unformed.

Blessed virtue that of patriotism, which commences by suppressing fratricidal struggles, and ends by erecting altars to the glory which results from the sacrifice of the individual for the good of a whole people! The man is nothing, the corporation is nothing, the party is nothing, compared with the country. The country is everything. In the presence of its interests, which consist in the preservation of its existence, in the splendor of its honor, in the maintenance of its sovereignty, all, all other interests are small. The love of country, that is, perfect abnegation, the exercise of a virtue which by its nature is attractive to others, the instinct of individual and public liberty—the purpose of defending it exists, and exists full of vigor, among the Mexican people.

It is scarcely announced that their nationality may be attacked, and they renew their determination to sustain all and each one of the rights acquired at the cost of their heroic blood.

The people then comprehend their duties, because it is a duty, and a very sacred one, to rally without hesitation or condition of any kind to the call of the country whenever danger is apprehended as near or remote. The people know well their obligations; this is spoken by their words and their acts.

Under such circumstances the questions of interior policy are thrown aside, but not so with the duties of the government that directs the destinies of the country. These duties never cease to be correlative. The citizen should abandon every question that he may have initiated with the ruler, and the ruler should observe a conduct foreign to anything like party spirit. To save the country is the common object, and this could not be done if those who command and those who obey should not have the same convictions and the same desires.

By the salvation of the country, we understand not only that which is obtained by the use of arms, but also the good results of international negotiations. In these negotiations there are generally secret points, and others that do not demand any secrecy whatever, at least in those nations where liberty of the press exists as an established fact.

To complete our idea, we must add that the present government of the republic has had presented to it a new and brilliant opportunity to unite all political parties under one banner—the national banner.

Let it unfurl it with faith, and it will have the glory of having secured the rights

of Mexico abroad and extinguished interior odium, opening the road to the solid progress and the prosperity of Mexico.

This business has to advance by degrees, no matter what aspect it may take. The Mexican Government has resolved that an envoy shall go to Washington, of whose character we are ignorant, but it is probable that his will be an extraordinary mission. In conformity with a general principle of the rights of men that government should receive him, and perhaps thence will be brought about friendly explanations, and the affair be satisfactorily arranged. We will suppose that the envoy should not be received, that the order to General Ord should not be modified, and the case foreseen in article 21 of the treaty of February 2, 1848, between Mexico and the United States should unfortunately arise as there stated. Even then it is possible to appeal to arbitration if the treaty is to be respected. The question came up once before, in the same manner as at present. At that time it was suppressed, although not arranged. To-day something similar may take place, although the fact that our government is not recognized by that of the United States increases the difficulties.

Be this as it may, the press should aid the government by its action without going beyond the phases that the negotiations successively present; supporting its determinations when it considers them wise, and indicating with the moderation and delicacy which the circumstances demand the errors which, in its opinion, are committed by the public powers. Patriotism and good counsel, far from destroying each other, fraternize perfectly.

Finally, the government, in dealing with this serious question, has at its disposal powerful and favorable elements. Its responsibility is enormous, because if it despises or loses them, it may lose with them the liberty, independence, and sovereignty of the Mexican Republic. The nation hopes; may a happy issue crown that hope.

[Inclosure 8 in No. 11.]

[From the Monitor Constitutional.—Diaz administration.]

MEXICO AND THE UNITED STATES.

We think it is proper not to allow what is transpiring between the government of the neighboring republic and our country to pass unnoticed, as also the ideas that have been expressed by some distinguished persons abroad and a Lerdo legality paper of this capital.

We do not think it necessary to take into serious consideration the determination of the North American Government with regard to the invasion of our frontiers, because the gravity of the measure makes it understood that the American Government would have to meditate a great deal before carrying it out, the Government of Mexico not having given any notice that would justify to the world and to history the aggression of a strong and powerful nation against a feeble but civilized people.

Physical and moral strength are relative, the same among nations as among men; and here arises our confidence, in view of the force of our right as an independent and sovereign nation.

The government of the White House has dictated a measure that deeply affects our sovereignty and international rights; this is beyond the need of investigation, but we repeat, we do not think, we cannot think, that that measure will be carried out, without previous and long consideration on the part of the Government at Washington, and we believe, with reason, that the orders to General Ord will be withdrawn.

The supreme government of the nation has proceeded under the actual circumstances with the temperance and moderation which were to be expected, and there is reason to hope for a happy issue; but if or account of any emergency the desired termination of the negotiations should not be reached, the tried patriotism of the depository of the supreme power of the republic will be the best guarantee that the honor of Mexico will be saved.

In the mean while it is the duty of the Mexican press, while discussing this serious question, to act with the prudence which it knows how, and the temperance which the case requires.

No. 12.

Mr. Evarts to Mr. Foster.

No. 397.]

DEPARTMENT OF STATE,
Washington, June 22, 1877.

SIR: Referring to your separate dispatch of the 28th ultimo, advising me that the President of Mexico would dispatch to the Rio Grande a prudent general with a view to co-operate with General Ord in repressing outlawry, I now transmit for your information a copy of a letter of the 19th instant, from the Secretary of War and of the instructions issued by the General of the United States Army upon the subject, which accompanied it.

I am, &c.,

WM. M. EVARTS.

[Inclosure No. 12.]

*Mr. McCrary to Mr. Evarts.*WAR DEPARTMENT,
Washington City, June 19, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 8th instant, transmitting a copy of a letter from the minister of the United States at Mexico, stating that the President of the Mexican Government will dispatch to the Rio Grande border a prudent general, with a view to co-operate with General Ord in repressing outlawry, and beg to inclose for your information a copy of instructions issued by the General of the Army on the subject.

Very respectfully, your obedient servant,

GEO. W. MCCRARY,
Secretary of War.

Hon. SECRETARY OF STATE.

[Telegram.]

HEADQUARTERS ARMY OF THE UNITED STATES,
*Washington, D. C., June 9, 1877.*General P. H. SHERIDAN,
Commanding Military Division of the Missouri, Chicago, Ill.:

The Secretary of War has received, through the State Department, a letter from Mr. Foster, our minister at the city of Mexico, dated May 28, 1877, in which he says the President of the Mexican republic is at last awakened to the importance of repressing outlawry on the Texas frontier; that he will send a prudent general to that frontier, with an adequate force and instructions to co-operate cordially to that end with General Ord. The whole correspondence will come to you by mail; but meantime the Secretary of War wants you to instruct General Ord to meet this offer of reciprocity cordially, to meet or correspond with the Mexican general thus sent to the frontier, and not to be hasty in pursuit across the border, except in an aggravated case.

W. T. SHERMAN,
General.

No. 13.

Mr. Foster to Mr. Evarts.

No. 560.]

LEGATION OF THE UNITED STATES,
Mexico, June 28, 1877. (Received July 16.)

SIR: In my No. 552 I transmitted a copy of the order of the Mexican minister of war, in which the Government of the United States is arraigned for violating its treaties with Mexico, the rules of international

law, and even the practice of civilized nations, and for seeking to insult Mexico. This order being at once published in this city, has excited a deep feeling of hostility toward the United States, and especially toward the President and his Cabinet, as will be seen by the articles from the Mexican newspapers inclosed in my No. 554.

The universal impression created with the Mexican public has been, that the order to General Ord in reference to the Rio Grande frontier was utterly without cause or provocation; that it was inspired by the President of the United States and his Cabinet, partly for political considerations, in order to maintain party ascendancy at home, and partly inspired by filibusters and speculators, combined with the machinations of ex-President Lerdo; and that the object of the order to General Ord was to drive Mexico into a war, whereby the United States, taking advantage of the weakness and internal dissensions of this nation, could annex to its territory the northern Mexican States, and possibly establish a protectorate over the whole country. As already stated, I have protested to the minister of foreign affairs against the letter and spirit of the order of the minister of war, and deplored the unjust and unfounded prejudice and hostility which had been created in Mexico against the Government of the United States.

In view of my protest, I was astounded to read on the 22d instant in the *Diario Oficial*, the official journal published by the government under the direction of the ministry, the editorial statement, that "private advices received from New York and Washington inform us that a citizen of the United States and the ex-President of Mexico had commenced active labors in the neighboring republic to prevent a renewal of diplomatic relations between that government and our own; that they (the two persons referred to) * * * have succeeded in interesting in their undertaking a group of adventurers and speculators; and that these combined labors have resulted in the American War Department * * * making a hostile manifestation toward the Mexican republic, in the order communicated to the commander-in-chief of the Army." Then follow references to ex-President Lerdo's conduct, to which the *Diario* says it will devote further attention and correct any errors of its correspondents. I inclose a complete translation of the *Diario* article, which was at once reproduced in all the newspapers of the capital.

On the following day I called at the foreign office and expressed to Mr. Vallarta my surprise and deep regret to see in the official journal a statement that the Government of the United States had been induced by the persons named, through sinister motives, and by a group of adventurers and speculators, to issue the order to General Ord. I said that I had in a previous interview verbally protested against the unwarranted charges of the minister of war; and now, in view of the gross insult offered to the President of the United States and his Cabinet, by the official journal of the government, and in view of the misinterpretation of the order to General Ord, and of the misrepresentation of the position of the United States on the frontier question by both the Mexican Government and press, I felt it my duty to make a concise and exact statement of the true position of my government, and to ask that it be published without unnecessary delay in the official journal, whose columns had just been used to insult and misrepresent that government. I accordingly handed to Mr. Vallarta a memorandum for publication, of which I insert a copy below.

Mr. Vallarta replied that he had not read the article in the *Diario Oficial* to which I referred, but he was not aware that any such information as that stated had been received by the government. He said that he would examine the article and my memorandum, and if the govern-

ment found no serious inconvenience in the publication of the latter my request would be complied with.

My memorandum left with the minister is as follows :

Memorandum of points noticed by the minister of the United States in a conference at the Mexican foreign office.

I. The instruction given to General Ord is not the announcement of a new measure on the part of the Government of the United States.

Mr. Nelson, on the 4th of January, 1871, applied to the Executive for permission for the United States troops to cross the frontier, and April 12, 1871, he renewed the application, suggesting that the Mexican congress be solicited to grant said permission, both of which applications were declined.

The Secretary of State of the United States, Mr. Fish, on the 30th of April, 1875, submitted to Mr. Mariscal, for the consideration of his government, a reciprocal proposition to allow the troops of either government to cross the frontier of one or the other nation in close pursuit of raiders and outlaws, and capture them, stating to Mr. Mariscal at the same time that the public mind, not only in Texas, but throughout the United States, was such that the outrages committed from Mexican territory in Texas could no longer be tolerated. This was not accepted by the Mexican Government.

On the 26th of June, 1875, the undersigned renewed the request made by Mr. Nelson, and the minister of foreign affairs (Mr. Lafragua) replied that the executive had no authority to grant it, and that it would not be prudent to ask the consent of congress. On the 6th of July, 1875, the raids from Mexico continuing, the undersigned informed the minister of foreign affairs that unless the depredations ceased such a measure as that announced in the instruction to General Ord might be anticipated; adding, in the same connection, referring to the raids from Mexico, that protection to the citizens of Texas must be afforded; if not given by the Mexican Government, it would come from the United States. (U. S. Diplomatic Correspondence of 1875.)

On the 23d of April of the present year, in an interview had with Minister Vallarta, in reporting to him the murder of seventeen American citizens in Texas in the previous few months by Indians from Mexico, the undersigned informed him that the recommendation of Colonel Shafter, that the only way to put a stop to the raids was to follow up the delinquents into Mexico and attack them in their lairs, would have to be taken into serious consideration by the Government of the United States, if the Mexican authorities are unable or unwilling to check the depredations.

II. The depredations of the past four years have not been common to both sides of the frontier.

Under date of the 20th of May, 1875, the Secretary of State, Mr. Fish, stated that it was frivolous to seek to justify the hostile incursions into American territory on the ground of retaliation for similar excursions from the American side. He adds: "There have been none such, and proof of the contrary is challenged." On the 26th of June, 1875, the undersigned, by instruction from his government, gave to the Mexican minister of foreign affairs the above declaration contained in Mr. Fish's dispatch, and challenged him to furnish proof to the contrary. The minister promised to examine the data in his department and ask information of the governors of Tamaulipas and Coahuila, and to furnish the legation with the result of his investigation. Not a single fact or instance has as yet been furnished.

The investigations of the Mexican Border Commission relate to events which occurred previous to 1873.

III.—Mexico has taken no adequate or vigorous measure to prevent the depredations or punish the outlaws.

The undersigned has repeatedly called the attention of the Mexican Government to the long list of depredations and outrages which have been inflicted upon the people of Texas by raiding bands from Mexico, as the records of the Mexican foreign office show, and he has urged that an adequate federal force, under an able and prudent general of high rank, be sent to the frontier, to co-operate with the American troops in the suppression of the raids. These matters he frequently pressed upon the past administration; and immediately upon the accession of Mr. Vallarta to the department of foreign affairs, in December last, his attention was called to the condition of affairs on the frontier, urging early measures for its peace and order, assuring him that it was essential to the maintenance of cordial relations between the two countries, and renewing the suggestion that a federal force, under an experienced officer of high rank, be at once dispatched to the Rio Grande. Although this subject has been frequently brought to the attention of the minister in the past six months, up to the date of the receipt of the recent order of the Secretary of War of the United States, absolutely nothing has been done to repress the raids or co-operate with the American troops, so far as this legation had received information.

Notwithstanding the long list of these outrages, which the undersigned has brought to the attention of the Mexican Government in the past four years, which include murders, arson, plundering of government post-offices and custom-houses, robberies, and other outlawry, not a single punishment has resulted on the part of the Mexican authorities.

IV. Mexico has frequently acknowledged its inability to discharge its duty in regard to the preservation of peace on the Rio Grande frontier, giving as a reason its internal dissensions.

For eighteen months preceding the fall of the past administration, in reply to the remonstrances of the undersigned, the minister of foreign affairs pleaded, as an apology for the inefficiency and neglect of his government in repressing raids into the United States, that the whole force of the army was required elsewhere to resist the revolution of General Diaz. (See United States diplomatic correspondence, 1875.)

The reason given at various times to the undersigned by the present government, for its postponement of attention to the subject and the disposition of a federal force and prominent officer to preserve the peace on the Rio Grande and co-operate with the American troops in preventing raids, has been the disturbed state of the affairs of this republic consequent on the revolution and the necessity of first establishing its internal government.

If one of the rival claimants to the presidency succeeds in establishing a foothold on Mexican territory, and in organizing a counter-revolution, will not necessity again compel the government to devote all its energy and power to the suppression of the new revolution, and abandon the Mexican side of the Rio Grande to the raiders and outlaws?

V. The instructions to General Ord are misinterpreted by the Mexican Government.

They are not an unconditional order to cross the frontier into Mexican territory. General Ord is first instructed to do what the undersigned has been engaged in doing without effect for three years past, to call upon the Mexican authorities to co-operate for the suppression of the raids of armed and organized bodies of thieves and robbers. He is to give the authorities notice that the depredations upon the citizens of Texas can no longer be endured, and that if the Government of Mexico shall continue to neglect its duty in suppressing this lawlessness, that duty will devolve upon the Government of the United States. It is only after invitation to co-operate, and after Mexico has declined and continues to neglect its duty, that General Ord is granted discretion to follow the outlaws across the border, when in hot pursuit.

VI. In view of the foregoing facts, the declaration of the Mexican minister of war is unwarranted, wherein it is officially asserted that the instructions to General Ord are in contradiction with treaties between Mexico and the United States, with the rules of international law, and even with the practice of civilized nations.

Such charges in an official document of the government are sufficiently serious to excite apprehensions for the maintenance of cordial relations; but the undersigned has been profoundly surprised, and has deeply regretted, that it should have been thought necessary or proper to assert, in an important public order issued by direction of the Chief Executive, that in giving the instructions to General Ord the Government of the United States was seeking to insult Mexico. It might have been supposed that in the haste with which the order of the minister of war may have been written, there was no premeditated intent to so grossly question the motives which influenced the Government of the United States; but the intent of the Executive would seem to be deliberate, when, three days after the publication of the order, the Mexican Government has inserted in its official journal the statement that the order of the President of the United States, through the Secretary of War, was brought about by the efforts of a private citizen of the United States and Mr. Lerdo, through sinister motives and by a group of adventurers and speculators.

JOHN W. FOSTER.

(Copy left at the Mexican foreign office June 23, 1877.)

In leaving the memorandum with the minister, I said to him that in view of the order of the minister of war, of the publication in the *Diario Oficial* of the 21st instant, and of the manner in which the subject had been discussed in the Mexican press, I would feel compelled to leave a copy of the memorandum with my colleagues of the diplomatic corps, to enable them to furnish their respective governments with a correct statement of the position occupied by the Government of the United States; which I have done.

On the twenty-sixth instant Mr. Vallarta called on me at the legation, handed me a copy of the *Diario Oficial* of the 25th, containing the ex-

planation of the offensive article of the 21st, a translation of which explanation I inclose; and he informed me that my request for the publication in the *Diario Oficial* of my memorandum had been considered in a cabinet meeting; that the explanation in the *Diario Oficial* of the 25th had been ordered, which, it was supposed, would be satisfactory to me; that the cabinet deprecated a discussion of the question in the press, but if I still insisted upon the publication of my memorandum, it would be made, but the minister said it would have to be accompanied by a reply from him.

I answered Mr. Vallarta that the explanation of the *Diario Oficial* of the 25th was only partially satisfactory, as it was disingenuous in seeking to base its first article upon the statements of American newspapers as well as the private information of the government, when in fact the first article only alluded to the latter; that the question of doubt as suggested in the first article was not so much as to the alleged evil influence which had controlled the Government of the United States, but rather as to Mr. Lerdo's complicity therein; that the first article had accomplished the desired effect in being at once reproduced in all the Mexican newspapers with bitter comments against my government, while the explanation would appear in very few of them, (as has really been the case;) that I could not well discriminate between the editor of the *Diario* and the government, as it was the official journal, used by the ministers as the medium of expressing their views editorially, and the editor was an officer of the government, acting under the direction of the executive; that the controversy could not be intensified by the publication of my memorandum, as the press could not possibly assail the United States more bitterly than it had already done; that a correct statement of the position of my government would be beneficial to both countries, and that I did not intend to make rejoinder to any reply he might see proper to make to the memorandum.

Mr. Vallarta, on leaving, said that my memorandum would appear the next day in the *Diario Oficial*, with his reply.

The day following Mr. Vallarta's visit, Mr. Romero, minister of the treasury, (former minister to Washington,) called upon me (yesterday) and said that the President was very much embarrassed by my request, and that he disliked to have any official discussion in the press; that the cabinet had again considered the subject and had instructed him to suggest to me that, in order to avoid an official character, the substance of my memorandum be published in the *Diario Oficial* as the position to be held by the Government of the United States, omitting to state the source whence it came, and without any reply being made in the *Diario*.

I answered Mr. Romero, that I was very willing to yield to the indication of the President; and Mr. Romero stated that he would re-edit the memorandum, and would endeavor to have it appear in the *Diario* of that afternoon.

The publication, however, was not made; and Mr. Romero called again to-day to explain the failure, saying that the cabinet, in reconsidering the subject, were disinclined to make the publication in the form indicated by him yesterday. He said the President had requested him to call on me and express his desire that I would withdraw my request, as the publication in the *Diario* might seriously embarrass his government.

I at once replied that, coming in the friendly manner that it did, I could do nothing less than yield to the President's desire, which I

cheerfully did; although I was convinced its publication would be beneficial to both countries in dispelling prejudices and creating a better state of feeling.

I am, &c.,

JOHN W. FOSTER.

[Inclosure 1 in No. 13.]

[From the *Diario Oficial*, June 21, 1877—official government journal.]

REPORTS.

Private advices received from New York and Washington inform us that active labors have been commenced in the neighboring republic by Mr. Plumb, a representative of railway companies, and Mr. Lerdo de Tejada, to prevent the renewal of diplomatic relations between that government and our own; that, by promises of grants of lands to railway-constructing companies, they have succeeded in interesting in their undertaking a group of adventurers and speculators; and that these combined labors have resulted in the American War Department—taking advantage of the difficulties which both governments have always encountered in suppressing cattle-stealing on the banks of the Bravo, (Rio Grande,) on account of the extent and unpopulated condition of the country—making a hostile manifestation toward the Mexican Republic, in the order communicated to the Commander-in-Chief of the Army. As a proof of said manipulations on the part of Mr. Lerdo de Tejada, the circumstance is added that this gentleman has kept silent in regard to the patriotic protest of Mr. Iglesias and the other Mexicans who signed it with him, and that he will probably continue in silence.

In case these reports shall prove true, we would not be able to find words with which to characterize such a proceeding. Our laws classified as treason to the country the act of bringing to our territory a European army, and supporting its military operations and political intentions, and we do not think any other name should be given to the act of promoting an armed conflict with the neighboring nation, giving a pretext for the invasion of the republic.

Perhaps Mr. Lerdo has gone, without intending it, farther than he proposed, not having been able to foresee that his labors in a certain direction would give the result which we now see; but, at all events, he would be liable to the serious responsibility of having provoked his country to a conflict which may bring upon it very grave consequences.

Awaiting what may be brought us by future mails and what coming events may indicate, we abstain from publishing the reports which we have received, and of which we only give an idea in order that the public may judge.

Later we will be in a position to point out with exactness the true origin of the difficulties that have arisen on the northern border, without exposing ourselves to be unjust, attributing to persons acts for which they are perhaps not responsible.

[Inclosure 2 in No. 13.]

[From the *Diario Oficial* of June 25, 1877—official government journal.]

OUR THURSDAY'S ARTICLE.

On giving our readers an account of the private information we received from New York and Washington, and of what has been said by the American newspapers on the same subject, we were careful to state that we did not hastily give credit to those rumors.

We commenced a sentence by saying: "If these reports should prove true," &c. This indicates that we did not accept as facts the news that had been communicated to us.

Farther on we said: "Later, we will be in a position to point out with exactness the true origin of the difficulties that have arisen on the northern border," &c. It could not be more clearly stated that we did not accept as the origin of those difficulties what had been stated as such by the private information in question and various newspapers in the United States; but inasmuch as a newspaper of this capital has presented as ours; the ideas which we did not accept, we are under the necessity of insisting on this point.

We by no means think that Messrs. Lerdo and Plumb have had a decisive influence

in the determinations of the Government of the United States, no matter what efforts they may have made. The traditional policy of that government does not authorize such a supposition, which has been very far from our intention. It has not been long since we published an official declaration of the President of the United States, in which he explicitly condemned filibustering expeditions, and referred to the penal laws of the American Union against those offenses, and then we expressed our conviction that those who are plotting against our peace would not find any official aid in the neighboring republic. This is our opinion, and for this reason we entertain no apprehensions on account of the efforts of whatever character which may be commenced in the United States to organize expeditions against Mexico.

The newspaper to which we referred before, said that our article of last Thursday had been inspired by the minister of foreign affairs. We only comply with a duty in manifesting that such a supposition is wholly without foundation. We clearly referred in said article to our person, and there is nothing in it which has an official origin. If this had not been the case, we would not have spoken of our own opinions, and would have given them as those of the executive.

No. 14.

Mr. Foster to Mr. Evarts.

No. 570.]

LEGATION OF THE UNITED STATES,
Mexico, July 7, 1877. (Received July 20.)

SIR: Referring to your dispatch, No. 397, of the 22d ultimo, in which you inclose to me a copy of a letter from the Secretary of War with the instructions issued by the General of the United States Army to General Ord to co-operate with the Mexican general on the Rio Grande frontier, I have to report that I to-day left a copy of said inclosure with the Mexican minister of foreign affairs.

I am, &c.,

JOHN W. FOSTER.

NOTE.—The answer which the minister has made is contained in the memorandum transmitted with my No. 572, of this date.

No. 15.

Mr. Foster to Mr. Evarts.

[Telegram.]

UNITED STATES LEGATION,
Mexico, July 9, 1877.

Diaz disavows completely the Mexican violation of American territory, and promises prompt investigation, reparation, and punishment; but also expects modification of instructions to Ord. Details by mail.

JOHN W. FOSTER.

Forwarded by telegraph from New Orleans by Postmaster Parker, July 17, 1877.

No. 16.

Mr. Foster to Mr. Evarts.

No. 572.]

LEGATION OF THE UNITED STATES,
Mexico, July 9, 1877. (Received July 20.)

SIR: In conformity with the instructions contained in your dispatch No. 395, of the 21st ultimo, I called on the Mexican foreign office, and informed Mr. Vallarta, the minister of foreign affairs of General Diaz's government, of the violation of the territory of the United States, as related in the inclosures of the Secretary of War, and made a formal demand on him for a disavowal of the act, with reparation for its consequences and the punishment of its perpetrators.

Mr. Vallarta answered that so far as he was informed his government had received no intelligence of the event, but that he would bring the matter immediately to the attention of the President, and would advise me at as early a time as possible of the President's decision of the subject.

In view of the minister's statement that he had received no information as to the affair, I furnished him with a copy of your dispatch and its inclosures from the Secretary of War, containing the reports of our military officers as to the occurrence.

This forenoon Mr. Vallarta sent me a personal note, asking me, if convenient, to call at the foreign office at 12½ o'clock to-day, in order that he might communicate to me the decision of the government. At that hour I presented myself at the foreign office, and Mr. Vallarta handed me a written memorandum, which he asked that I might consider as the verbal answer made to my demand on the 7th instant, and which he had reduced to writing; stating at the same time that his government completely disavowed the violation of American territory; that it had directed a prompt investigation, in order that full reparation might be made and proper punishment inflicted upon the perpetrators, of which investigation he would advise me as soon as it was received by his government.

In receiving the memorandum, I replied that I would at once transmit a copy thereof to my government for its information. The copy is herewith inclosed.

In examining the memorandum, I find that it also refers to the instructions telegraphed to General Ord, of which you inclosed me a copy in your No. 397, which I communicated to Mr. Vallarta on the 7th instant. It will be seen that while he expresses the gratification of General Diaz at what is termed a modification of the order of June 1, he thinks that that restriction is not sufficient to preserve unharmed the autonomy of Mexico, and that he hopes the order may be finally so modified as to no longer wound the dignity of Mexico. As the latter subject was not verbally referred to by Mr. Vallarta in our interview, I have not thought it necessary to make any written or other reply thereto, especially as in previous interviews I had fully discussed the order of June 1, and had no disposition to anticipate your views upon the further modification suggested in Mr. Vallarta's memorandum.

I have respectfully to request specific information and instructions in reference to the reparation which it is expected Mexico will make for the consequences of this violation of territory.

I am, sir, &c.,

JOHN W. FOSTER.

[Inclosure in No. 16.—Translation.]

Memorandum of the conference held at this ministry between the secretary of relations and his excellency the minister of the United States.

The minister of relations stated to Mr. Foster that he had made known to the President of the republic the complaints which, in the name of his government, Mr. Foster had thought proper to make to him orally in the conference held in the evening of day before yesterday at this ministry, and read to him literally the copy of the dispatch which the Department of State addressed to Mr. Foster under date of the 21st of June last: in which dispatch, referring to the inclosures it contained, it is said that a party of Mexican troops crossed the boundary of the two republics, and within territory of the United States put to rout another Mexican force which it was pursuing, thereby violating the territory and infringing the law of nations; wherefore Mr. Foster is instructed to make a formal representation to the Government of Mexico, the Government of the United States confidently expecting that that act will be promptly disapproved, by reparation for its consequences and by the punishment of the persons engaged in it.

The President has ordered the secretary who is speaking to say to Mr. Foster that he has not yet received official information from Mexican authorities in regard to the particulars of the event which is the subject of this note, but that he has already directed, through the office of the secretary of war, that the proper parties be urgently requested to make at once due judicial investigation, in order that the parties who prove to be guilty may be punished. If unhappily any superior or inferior officer of Mexico has ordered an invasion of the territory of the United States, or it should appear that in any other way such invasion has been made in violation of the law of nations, the President assures him, through the undersigned, that he will order the reparation to be made for this act which is in justice due.

The Department of State does justice to the Government of Mexico in not believing that that invasion had been effected by orders emanating from this capital. So far has the Mexican Government been from ordering it, that, on the contrary, it has positively instructed General Treviño, in an official letter of the 15th of June last, which intrusted to him the military command of the line of the Bravo, that, "in obedience to article 72, section 16, of the federal constitution, he should not consent to the troops of the United States entering into our territory, and that, in respect to the sovereignty of that republic, he should prevent the Mexicans from treading on foreign territory." The government, which knows that international law prohibits the entrance of foreign troops into foreign territory without the consent of its sovereign, and which has been proclaiming and defending the principle, cannot disregard it when in its turn the Department of State invokes it.

Until the minister of relations can inform Mr. Foster of the new measures which the President may adopt in virtue of the official advices which he is awaiting and of the result of those which he has already adopted, the same minister has instructions to state to him that the Mexican Government accepts, acknowledges, and will cause to be fulfilled on its part the principles which the Hon. Mr. Evarts invokes in the dispatch referred to, and that it will adjust its conduct to them, by looking on the passage of forces into foreign territory as an unjustifiable invasion, that is condemned by international law. This conformity of opinions between the two governments will prevent any cause of complaint between them arising out of the disagreeable occurrence which is under discussion.

The minister of relations continued to say that he had also acquainted the President of the republic with the contents of the copy of the dispatch of the War Department of the United States of the 19th of June last, which Mr. Foster was pleased to deliver to him at the same conference of day before yesterday; which dispatch relates to the new instructions that the General-in-Chief of the Army of that republic communicates to General Sheridan on account of the reports which Mr. Foster sent to the Department of State on the 28th of May previous, in regard to the measures which the Government of Mexico might take by sending a general of the army to the frontier, in order that, acting in conjunction with the American officer, he might co-operate in the re-establishment of security in the frontier districts.

The minister said that the President had seen with satisfaction that the Government of the United States had modified the original order sent to General Ord on the 1st of June last, by withdrawing from him the discretionary authority to invade the territory of Mexico in pursuit of the malefactors, seeing that in his new instructions he is ordered "to not hastily cross the frontier-line, but only under a grave emergency." The President considers this restriction of that order as an acknowledgment of the rights of the republic, and, judging under this aspect, he duly estimates it. But he believes at the same time that that modification, however important it may be, does not suffice to leave unharmed the autonomy of Mexico. The invasion by foreign troops of the territory of a friendly nation, made without the consent, and even

against the will, of its government, is always a violation of international law and an offense to the sovereign of the invaded territory. In the instructions newly communicated to General Ord, notwithstanding their limitations, is continued in force the order to invade Mexico "in a grave emergency," and the government of the republic thinks that that exception is not authorized by the law of nations.

The same minister continued to say that the President confides so far in the equity of the Government of the United States as to hope that the orders to invade the republic will be withdrawn completely. The principles which the Department of State maintains on the subject of the invasion of foreign territories, and in which the Mexican Government entirely concurs, the measures already adopted for the satisfactory settlement of the difficulties on the frontier, and the spirit of conciliation which pervades the late instructions of the General-in-Chief of the Army of the United States in regard to this matter, are alike reasons for the government of the republic to hope that the order referred to will be finally so modified as not to wound the dignity of Mexico.

Mexico, July 9, 1877.

J. L. VALLARTA.

No. 17.

Mr. Foster to Mr. Evarts.

No. 580.]

LEGATION OF THE UNITED STATES,
Mexico, July 24, 1877. (Received August 10.)

SIR: In my No. 560, of the 28th ultimo, I gave an account of the excitement occasioned in this city by the publication of the instructions of June 1, to General Ord; of the misrepresentations of the spirit and intentions of the Government of the United States; of a memorandum which I had left at the foreign office, with the request that it be published; and of the circumstances under which I was induced to withdraw my request for its publication.

On the 20th instant, in a call which the minister of foreign affairs made at the legation, he handed me a memorandum which constituted a reply to my memorandum of the 23d ultimo, and which he asked might be considered as the substance of his replies to me in our conference last month on the subjects referred to therein. I inclose a translation of the minister's memorandum.

As the main purpose of my memorandum had been to correct, by prompt publication, the unjust arraignment of the President of the United States and his cabinet, made in the official organ of the Mexican Government, which purpose was not accomplished, and in view of the fact that the subjects discussed therein were likely soon to become a matter of treaty negotiation, I regarded further discussion as undesirable and inopportune. I have, accordingly, addressed Mr. Vallarta an unofficial note in that sense, of which I inclose herewith a copy.

I am, &c.,

JOHN W. FOSTER.

[Inclosure 1 in No. 17.—Translation.]

Memorandum of the replies given by the minister of foreign affairs to the points made by his excellency the minister plenipotentiary of the United States in the conferences had between them in this department.

I. It is true that the Government of the United States has proposed on several occasions that the troops of both republics should reciprocally pass the frontiers in pursuit of savage Indians or marauders; but it is also true that that of Mexico has replied on all occasions that it is not within its power to grant such permission to foreign troops,

and when it has been sought to obtain it of the Congress of the Union it has been seen that such a measure would not be approved. This was stated by the chief clerk of the department to the secretary of the American legation in the conference which they held the 14th of April, 1871, and this was also stated by the minister of foreign affairs to Mr. Nelson in his note of the 20th of the same month.

In the conference held in Washington, between the minister plenipotentiary of Mexico and the Hon. Secretary of State, on the 30th of April, 1875, the convenience of that measure was again insisted upon on the part of the Government of the United States. The Mexican minister doubted the propriety of the measure, fearing the abuses that would be committed, notwithstanding the good faith of the two governments, and also manifesting that he was ignorant as to whether Congress would consent to the entrance of foreign troops into the national territory. In the discussion which took place on this point no agreement whatever was arrived at, and the Hon. Secretary of State terminated the conference by saying that his object had been to call the attention of the government of the republic to the importance of the frontier affairs, to the end that the most adequate remedies might be applied to the evils suffered, and concluded by expressing his desire that the Mexican Government should propose those which it might consider efficacious.

If, as stated by Mr. Foster, referring to his dispatch of the 7th of July, 1875, (Diplomatic Correspondence of the United States, paragraph 2, page 949,) he informed Mr. Lafragua that "unless those depredations ceased such a measure as that announced in the instructions to General Ord might be anticipated," to which intimation, as Mr. Foster informed his government in that dispatch, the minister of foreign affairs did not give a direct answer, this cannot signify, and does not signify, that the Mexican Government has tolerated at any time or does tolerate the violation of the national territory by the entrance into it against its will, or without its consent, of foreign troops. This is not the first time that the government has ordered that force to be repelled by force in the extreme case of an invasion. When an American officer in November, 1875, threatened to enter Mexican territory in pursuit of some criminals, and subsequently carried out his threat, General Fuero, in accordance with instructions from his government, forthwith wrote on the 20th of that month to General Potter, commander of Brownsville, stating to him that that invasion was contrary to the treaties between Mexico and the United States, and was condemned by the law of nations, and notified him that if he did not order the American troops to retire from the national territory, besides protesting against that aggression, he would be under the necessity of repelling force by force. General Potter replied that although he had repeated his orders on the 19th, instructing the American officers particularly not to make an aggressive movement against Mexico, those orders had not been obeyed; but immediately on learning what had happened, he had again repeated them, and the American troops retired. He concluded by saying to General Fuero: "Hence you see, general, that the invasion of Mexican territory and the violation of the laws to which you allude, were committed contrary to the orders that the officers of the troops of the United States had received."

The undersigned has manifested to Mr. Foster in different conferences had since the month of January of the present year, that the government has been and is disposed, because such is its duty, to give protection to the Mexican frontier, pursuing Indians and marauders, and avoiding motives of complaint by or conflicts with the neighboring republic; but that the tranquillity of these frontier regions cannot be the result of an isolated measure, but the effect of a combination of measures that strike at the root of the elements of evil that exist there; that the passage of troops, although reciprocal and agreed to by both governments, (and if this should not be the case, such passage would constitute an outrage which would aggravate the situation,) could not of itself be the remedy for such old evils, but on the contrary, taking into consideration the condition of the frontier, as has been thought by former administrations, might even cause greater and more serious complications; that the present government, at a proper and convenient time, would propose the measures which, in its judgment, would serve to re-establish security and order in that region, hearing those the Government of the United States might suggest, and devoting to this important question all the attention which it demands.

II. If the United States complain with reason of the depredations which have been committed on the frontier, Mexico has the same or greater right to make the same complaints, because the evils which cause them are common to both countries. This is a truth which the Hon. Secretary of State has explicitly acknowledged. In the conference which he had with the plenipotentiary of Mexico, on the 30th of April, 1875, he manifested to this official "that the troubles of the frontier are exaggerated in Texas, either in the interest of those who wish to present claims or those who desire that more forces may be stationed on the banks of the river for the purpose of making contracts for the supplies for the troops," &c., &c., and adding, "it is undeniable that such disorders exist, which may be committed by robbers who may not be citizens of either country." All this was stated by this department to the American legation in

a note of the 30th of December, 1875, attempting to prove thereby that the charges made against Mexico are unjustifiable, when it is sought to show that the robbers who are the authors of all the depredations are on this side of the Bravo, and on the other side are only their victims.

In replying to that note on the 9th of February, 1876, Mr. Foster manifested that, not having a complete report of Mr. Fish's conversation with Mr. Mariscal, he was unable to estimate its application to the question, and referring to his different notes of the year 1875, in order to sustain his charges against Mexico, concluded, nevertheless, by acknowledging the possibility that all the robbers are not Mexicans, but insisted that they proceed from Mexican territory, where they find refuge after committing their crimes.

The northern frontier investigating commission not only proved that many of the charges made against the Mexicans by the inhabitants of Texas were wholly unfounded, but detailed the robberies, acts of violence, and crimes which had been committed on the Mexican side by Americans, who also enjoyed the most complete impunity; but inasmuch as Mr. Foster only wishes to speak of acts subsequent to the report of that commission, the undersigned, in order not to occupy himself with the enumeration of isolated events, will confine himself to calling attention to one single fact which, on account of its importance and transcendence, not only justifies the complaints of Mexico, but which is, at the same time, one of the principal causes of the depredations and robberies charged to the republic.

Some of the authorities of Coahuila stated to the government in May, 1876, that the crime of cattle-stealing had assumed alarming proportions in those regions, because in American territory there existed organized companies for the cheap purchase of stolen cattle, and that they stimulated the robbery of animals on a large scale; that this added to the difficulty of the apprehension of the thieves, who, by simply crossing the Bravo, placed themselves beyond the reach of their pursuers, and kept the inhabitants of that section in great alarm. If information of this report, and some others which go to show that the depredations have at least been common to both frontiers, has not been given to the legation of the United States, it is due to the fact that the Government of Mexico has thought proper to communicate directly with its minister in Washington, for the purpose of procuring the accord of the Government of the United States for the remedy of these common evils.

The Government of Mexico can give the most conclusive reply to this class of charges, invoking the most authentic, the most respectable, and impartial testimony that can exist on this subject, that of Sir Edward Thornton, arbitrator in the Mixed Claims Commission, appointed by the two governments. These same charges were carried by an American citizen before this tribunal, indemnification being asked of Mexico, and the arbitrator expressed himself in regard to the claim, No. 647 of William C. Dickens, in these terms:

"With respect to the case No. 647, of William C. Dickens against Mexico, it is shown, beyond doubt, in the judgment of the arbitrator, that during the last few years robberies of cattle have been committed in the territory of Texas which joins Mexico, and that these cattle have been carried to the other side of the Rio Grande, but the proof that the thieves have always been Mexican citizens and soldiers, that the bands have been organized on Mexican soil, with the knowledge of the authorities of the republic, and that the victims of those robberies have been denied reparation by those authorities when they have demanded certain lots of cattle, after having proven their property, appears to him to be wholly inadequate. * * * * The claimant truly says that these bands of thieves can be collected quickly, and make their incursions when the United States troops are at a distance from the point of attack. But if this makes it difficult for the authorities of the United States to prevent such incursions, it is the case with more reason with regard to the Mexican authorities, as, if to collect a band to cross the river is the work of an hour, to collect a considerable drove of cattle and drive them to the Mexican territory requires a much longer time, and gives greater opportunities to the authorities of the United States to attack the robbers and recover the cattle."

"Hence it does not appear as a general rule that there has been a greater want of vigilance on the part of the Mexican authorities than on the part of the authorities of the State and those of the United States.

"The arbitrator does not find in this case sufficient evidence to make the Government of Mexico responsible for the losses suffered by the claimant, and he consequently decides that this claim be dismissed."

What the arbitrator says in his decision is the truth that Mexico has been sustaining in this question, a truth that, being examined, no longer admits of doubt.

III. The Government of Mexico has dictated the measures which have been within its power to suppress the depredations on the frontier, and remedy the evils suffered from them on both sides. In the long and troublesome Indian question, the conduct of the government was such that it received the eulogies of the Hon. Mr. Fish and of the legation of the United States. (Mr. Foster's note to Mr. Lafragua of the 1st of Decem-

ber, 1873.) And in relation to robberies committed by outlaws, not a single case has been complained of to the government, in which it has not dictated its measures for the apprehension and chastisement of the criminals. Different notes that could be cited in testimony of this truth, and many orders issued by the departments of foreign affairs, war, government, and justice, establish the fact that the government has never been indifferent to the sufferings and painful condition of the inhabitants of the frontier.

If notwithstanding all this, the evil still exists, it does not prove the want of a disposition on the part of the government to remedy it. That evil is the result of many causes which have co-operated to develop it; it is sustained by unlawful interests which nourish it, and the circumstances of locality favor it. The strength, the vigor of that evil is such that it has not only resisted the action of the Mexican Government, which combats it, but also that of the American Government, which is equally desirous to destroy it. And as the accusations made against the latter because it has not extirpated it at one stroke and in a single day are not just, as nobody can say with reason that the American Government is wanting in will or is powerless, because its vigorous action does not penetrate extensive desert regions, so Mexico cannot be held guilty because its efforts to establish security on the frontier have not met with the success desired. Although the sending of a general of rank to that region, who, with the necessary federal force, might pursue the robbers in combination with the American officers, is a proper measure, it is not the only one, nor the most important, that should be taken to give security to the frontier. With respect to it, however, the Government has been and is in such conformity that it has already invested General Treviño with the military command of the Bravo, (Rio Grande.)

It is not strange that the legation of the United States has been ignorant, in the majority of cases, of the orders which, through the respective departments, have been issued by the government for the pursuit, apprehension, and chastisement of the criminals, and the recommendations made to the tribunals for the prompt administration of justice, because, as orders wholly pertaining to the interior administration of the republic, in most instances they have not been made known to the legation. Therefore the charge made by Mr. Foster against the government that, according to his information, absolutely nothing has been done to repress the invasions, has been proven to be destitute of foundation.

IV. The undersigned has manifested to Mr. Foster on several occasions that, in order to establish order and security on the frontier, the stationing of troops there by the two governments is not sufficient; more permanent measures are needed, vigorous measures that will prevent the incentive to robbery and the profit of cattle-stealing from defying the vigilance of the most effective police that can be established there. And hence, if the present government has not proposed before this those measures which in its judgment would give the desired results, it has been, as Mr. Foster has been informed by the undersigned, on account of the anomalous relations that have existed up to the present between the two governments. Notwithstanding this, that of Mexico is so desirous of giving its protection to the inhabitants of the frontier, and to avoid every motive of complaint on the part of the neighboring republic, that, on appointing its new minister plenipotentiary to Washington, it has given him the fullest power and most ample instructions to discuss and arrange with the Government of the United States these affairs in a manner satisfactory to both republics.

When the undersigned told Mr. Foster that the government could not devote its attention to those affairs until after it should be able to re-establish peace, which had been disturbed by the last revolution, General Revueltas was in the very act of throwing off all obedience to the authorities, and while a portion of the frontier still withheld its allegiance from the government established in this capital. To say this is to prove the insurmountable obstacles which prevented the government from giving its attention to those affairs in the first four months of its existence. Afterward, and as soon as it was possible, the government dictated several orders for the maintenance of security on the frontier, orders so efficacious, that, as is notorious among the inhabitants of those regions, and as is recognized by the not impartial press of Texas, the depredations have diminished to such an extent that the inhabitants of the frontier enjoy a relative security, such as had not been enjoyed for many years previously.

Mr. Foster fears that if one of the rivals to the Presidency should succeed in organizing a counter revolution, the government would abandon the Mexican side of the Rio Grande to thieves and marauders. Fortunately that fear is unfounded; the Mexican people sustain the present government, and will not accept new revolutions at any price. Besides, the possibility of that contingency cannot be invoked as a reason to suppose that the troubles of the frontier will not receive a remedy, above all when no nation can be assured against that contingency.

The breaking out of a civil war in Mexico would be a calamity very much to be regretted, as would be the case if a revolution should again agitate the United States. In such an unfortunate emergency, it would not be strange if Mexico could not be able to attend to the Rio Grande frontier, inasmuch as during the Confederate war the

United States were obliged to do the same, the consequences of which were very serious for Mexico. The invasion of savage Indians which was then suffered by the republic, on account of the Indian reserves having been abandoned, (without referring to other evils which were the result of that war,) was a great and real calamity to Mexico.

V. The Government of Mexico has understood the significance and appreciated the consequences of the instructions given to General Ord. The circumstance of the authority given that officer to enter Mexican territory being conditional does not lessen its offensiveness to Mexico, inasmuch as the fulfillment of that condition is left to the execution of that officer. Not even under those conditions can the government of the republic consent to the invasion of the national territory and permit a foreign officer, to whom neither the law of the country nor that of nations gives any authority whatever, to come and exercise acts of jurisdiction according to his discretion. In order to understand that that order, although conditional, is an *offense* to Mexico, it is only necessary to examine its literal expression; the Government of the United States itself has understood thus: "While the President," it says, "is anxious to avoid giving *offense* to Mexico, he is nevertheless convinced that the invasion * * * should be no longer endured." The words leave no doubt on this point.

Mexico has another reason for complaint on account of that order. Lieutenant-Colonel Shafter, to whom it refers, is the same officer who, on the 3d of last April, invaded Mexican territory, taking possession of Piedras Negras, and not in pursuit of outlaws, but to take by force from the Mexican authorities two Mexican criminals, guilty of crimes committed in Mexican territory. By orders from this department, communicated on the 16th of April to the minister of Mexico in Washington, on the 28th of the same month the latter protested against that invasion, asking the Government of the United States to punish the culprits and to give proper guarantees for the future. And although the honorable Secretary of State replied on the 1st of May that he had asked for information on the subject before taking steps, as appears from documents in this department, on the 1st of the following June the order in question was issued by the War Department. To revert to these circumstances is sufficient to understand why, in consequence of them, the Government of Mexico has considered such an order as still more offensive to the republic.

VI. The order issued by the minister of war of the national government on the 18th of this month is based on the law of nations, and was the fulfillment of an inexorable duty on the part of the government. To prove that the instructions given to General Ord violate the treaties between Mexico and the United States is as easy as it is to point out the articles infringed. They are: Article 34, fraction 3, of the treaty of the 1st of December, 1832; article 21 of the treaty of the 30th of May, 1848, and article 7 of the treaty of the 31st of May, 1854. The Government of the United States, without observing the proceedings marked by those articles, and deciding of itself that Mexico has failed to comply with its international duties, issued the order of the 1st of June authorizing acts of aggression against Mexico. This is prohibited by the articles cited.

It is a maxim accepted by publicists that a state cannot send its troops into a foreign territory without the consent of the sovereign of that territory. The independence and sovereignty of nations would be at the mercy of the most powerful or the most audacious, if this maxim should even be questioned. And supported on bases even more solid, it is recognized that these troops or their officers cannot, even having permission to enter a territory, exercise any act of jurisdiction in foreign territory; that they cannot punish criminals nor recover stolen property without the intervention of the national authorities. These maxims, which are held as undeniable precepts of international law, are in open conflict with the order of the 1st of June.

These brief but decisive considerations are the basis on which is founded the judgment which the Mexican government has passed upon the order, reputing it offensive to Mexico, contrary to the treaties, to international law, and the practices of civilized nations. In thus acting, the government of Mexico has confined itself to defending itself against an unjust aggression, with the support of the evidence in its behalf. And its order of the 18th of June was not the result of violence or haste. It was fully discussed in cabinet meeting, with the calmness and meditation demanded by the gravity of the question. The issuing of that order on the part of the executive was the fulfillment of its duty, which cannot and should not be sacrificed upon any occasion.

Mr. Foster thinks the local item published in the *Diario Oficial* of the 21st instant is of the same origin and character as the order of the 18th. This is not the case. The government has repeatedly declared in that paper that "the *Diario Oficial* is its organ in its official section, and that outside of this section its publications have no more value than is given by their private origin." This alone would be sufficient to show that the comments made in that paragraph regarding the news on American politics have no official character whatever; but besides this, the explicit declarations of the author of the paragraph in question, manifesting that, not even in the conditional manner in which he wrote, did he make himself responsible for the comments which are even made by the American press, and which declarations are repeated in the *Diario* of the 22d and 25th of this month, should furnish complete conviction that the

said paragraph not only did not have an official origin or character, but that it did not even insure the statement which it made. The undersigned expressly assures Mr. Foster, therefore, that that paragraph is not official, nor has it any connection with the order of the 18th instant issued by the War Department.

The minister of foreign affairs can assure Mr. Foster that the Mexican Government participates, in an equal degree of sincerity, in the desires of his excellency that cordial relations may soon be established between the two countries, and that it will do everything that depends on it, with no other restriction except the saving of the interests and honor of the republic, to renew and strengthen those relations. If the frontier difficulties have been until now the cause of constant unpleasant questions between the two nations, and at times have been the motive for conflict between them, the Government of Mexico, after a conscientious study of these affairs, has sent its plenipotentiary to Washington with the necessary instructions to propose the measures which in its judgment will give a satisfactory solution to those difficulties. The present Government of Mexico, zealous in the fulfillment of its international duties, of which it has already given undeniable testimony, will omit nothing in order that the honor of the republic, which is bound to the fulfillment of those duties, remain unstained in its relations with foreign powers.

I. L. VALLARTA.

MEXICO, June 30, 1877.

[Inclosure 2 in No. 17.]

Mr. Foster to Mr. Vallarta.

[Unofficial.]

LEGATION OF THE UNITED STATES,
Mexico, July 23, 1877.

SIR: I have examined with care the memorandum which your excellency handed me on the 20th instant. While it reviews at considerable length the brief memorandum which I left at the foreign office on the 23d of the month past, I do not regard a single one of the six points noticed therein as successfully assailed. Were it desirable to enter upon an extended discussion of these points, I might be inclined to refer to some of the fallacious inferences which your excellency has drawn from the inconsequent statements presented by you. But your excellency will remember that when I left my memorandum at the foreign office, I stated that I had prepared it on account of the publication made in the *Diario Oficial* of the order of the minister of war to General Treviño, and especially of its editorial statement of June 21 that the President of the United States had issued the instructions to General Ord through sinister and disreputable influences; that the arraignment of my government in the manner stated was creating an unjust prejudice and excitement in Mexico, which might result in lasting injury to both countries; that I deemed it due to my government that a brief and precise statement of its position be at once made public in the columns of the official organ in which it had been imprudently assailed; and that I left the memorandum with a request for its early publication, notifying you at the same time that I regarded it as my duty to furnish a copy thereof to my diplomatic colleagues for the information of their respective governments.

Your excellency will remember that after subsequent interviews in regard to its publication, I was induced at the personal instance of the President of the republic, expressed through one of his cabinet ministers, to withdraw my request for the publication of my memorandum.

As the special object for which the memorandum was prepared has not been accomplished, and in view of the fact stated in your excellency's memorandum, that the Mexican Government is desirous of entering upon treaty negotiations for the adjustment of the questions therein referred to, I do not, therefore, regard it as either desirable or opportune to continue the discussion. I have, however, to request that the present note may be included in any publication which the Mexican Government may think proper to make of the memoranda.

It is pleasant for me to have this opportunity to repeat to your excellency the assurances of my very distinguished consideration.

JOHN W. FOSTER.

To his excellency I. L. VALLARTA,
Minister of Foreign Affairs, Mexico.

No. 18.

Governor Hubbard to the President.

[Telegram.]

AUSTIN, TEX., August 13, 1877. (Received August 14.)

SIR: I am advised by Brigadier-General Ord, commanding Department of Texas, that on the 12th instant a party of Mexicans from the State of Tamaulipas crossed the Rio Grande River to Rio Grande City, the county-seat of Starr County, Texas, bordering on said river, broke open the jail by force and arms, released two murderers therein confined, and, in so doing, severely wounded the State attorney, Hon. Noah Cox, and three jailers. These murderers were followed by a small party of United States troops until they recrossed the Rio Grande into Mexico. Under the extradition treaty in force, I am vested with authority to demand extradition of criminals from any neighboring Mexican State. I propose to make this demand, but desire co-operation by a simultaneous demand from the President. It is an outrageous violation of our treaty relations and international law. I therefore, in behalf of our people, have the honor to make this request and that the Republic of Mexico make reparation for this act, deliver the murderers released to our civil authorities, and inflict punishment upon the outlaws who committed the outrage.

I have, &c.,

R. B. HUBBARD,
Governor of Texas.

No. 19.

Mr. Seward to Governor Hubbard.

[Telegram.]

DEPARTMENT OF STATE,
Washington, August 14, 1877.

The President directs me to acknowledge receipt of your dispatch of the 13th instant. Your proposed demand for extradition is in accordance with treaty stipulations. Measures for protection and maintenance of American rights involved will be immediately taken here.

F. W. SEWARD,
Acting Secretary.

No. 20.

Mr. Seward to Mr. Foster.

[Telegram.]

WASHINGTON, August 15, 1877.

FOSTER, Minister, Mexico :

Urge extradition, and demand reparation for invasion of Texas and attack on jail at Rio Grande. Dispatches by mail.

SEWARD,
Acting Secretary.

No. 21.

Mr. Seward to Mr. Foster.

No. 411.]

DEPARTMENT OF STATE,
Washington, August 15, 1877.

SIR: I transmit herewith a copy of a * telegram just received from the governor of Texas, and the * reply made to it by direction of the President. The case to which they refer is one of grave importance.

It is probable that the steps taken by the authorities of Texas, under the provisions of the treaty with Mexico in regard to extradition, will result in the arrest of the guilty parties. Of the progress of these efforts you will be promptly informed, and if they shall not be attended with immediate success you will be expected to make similar application to the authorities at the national capital.

The event is no merely ordinary crime. It partakes of the character of a national injury, and such events are, unhappily, growing but too frequent. To the long catalogue of raids into Texas for purposes of theft and plunder have now been added two deliberate hostile invasions of American territory by armed bands from Mexico. Public officers of the State of Texas have been seriously wounded, and murderers have been released from custody. To suppose for a moment that the authorities in Mexico will acquiesce in this outrage or will shield the offenders would be to suppose the Republic of Mexico is no longer disposed to maintain the attitude of a friendly power at peace with the United States. You are instructed, therefore, to lay the facts at once before the officers of the *de facto* government, with which you are holding unofficial intercourse, and to demand their co-operation in the arrest and punishment of the perpetrators of these crimes, and such reparation for them as it is now possible to make.

I am, &c.,

F. W. SEWARD,
Acting Secretary.

No. 22.

Mr. Foster to Mr. Evarts.

[Telegram.]

MEXICO, August 23, 1877.

(Via Brownsville, September 4.)

Mexican Government states all diligence being used to arrest assailants of Texas; prompt extradition of all discovered offenders promised. Official information received here that expedition was organized in Texas.

JOHN W. FOSTER.

No. 23.

Mr. Foster to Mr. Evarts.

No. 590.]

LEGATION OF THE UNITED STATES,
Mexico, August 23, 1877. (Received September 13.)

SIR: On yesterday I received your dispatch dated on the 15th instant, in which you instruct me to "urge extradition and demand reparation for invasion of Texas and attack on jail at Rio Grande City."

* For inclosures see Nos. 18 and 19 ante.

I at once called upon Mr. Vallarta and informed him of the contents of your telegram. He said that his government had received information of the occurrence, and that he was just preparing orders to be sent to the governor of Tamaulipas, instructing him to carry out the stipulations of the treaty of extradition in regard to all who had been or might be arrested in Mexico charged with participation in the affair. He further stated that as soon as the government had information of the event, it sent instructions to General Treviño and other officials to use every exertion to detect and arrest any of the guilty parties in Mexico, authorizing them to expend whatever money was necessary to aid in the detection. He said the reports which had been sent by the Mexican officials on the frontier were to the effect that the persons who composed the party attacking the jail were American citizens of Mexican origin resident in Texas; that the expedition had been originated entirely in Texas; and that after the attack the assailants had fled into Mexican territory.

I saw Mr. Vallarta again this morning, and he said that the instructions in regard to the extradition of the guilty parties arrested in Mexico had already been telegraphed to the governor of Tamaulipas. I accordingly sent you to-day the following telegram, via overland wire :

Mexican Government states all diligence being used to arrest assailants of Texas jail. Prompt extradition of all discovered offenders promised. Official information received here that expedition was organized in Texas.

In view of the denial of Mr. Vallarta that there was any invasion from Mexico, I have thought best to confine my action for the present to reading to him your telegram, and urge prompt measures for the arrest and extradition of the offenders. When your dispatches by mail are received, I will act in accordance with the facts and instructions contained therein.

I am, sir, &c.,

JOHN W. FOSTER.

No. 24.

Mr. Foster to Mr. Evarts.

No. 593.]

LEGATION OF THE UNITED STATES,
Mexico, August 30, 1877. (Received September 13.)

SIR: Confirming my dispatch No. 590, of the 22d instant, in reference to the assault on the jail at Rio Grande City, I have to acknowledge receipt this morning of your dispatch No. 411, of the 15th instant, on the same subject.

I called to-day upon Mr. Vallarta and gave him a copy of the telegram of the governor of Texas to the President of the United States, and directed his attention to the statement of the governor that the assault was made by a party of Mexicans who crossed the river from the State of Tamaulipas. I said that this declaration of the governor was confirmed by the reports of the military officers on the frontier, and was in direct contradiction of the reports which he (Mr. Vallarta) informed me in our last interview on the subject his government had received. I then gave him the views of our government in regard to the affair, as set forth in your dispatch No. 411, and repeated my demand heretofore made for the arrest and punishment of the perpetrators of the crimes, and for such reparation for them as it was possible to make.

Mr. Vallarta repeated his previous statement as to the measures already taken and the instructions given, and assured me that his government would continue to give the subject its earnest attention with a view to the arrest and delivery of the criminals under the extradition treaty, and to the punishment of any persons who may have aided or abetted the assault in Mexico.

I asked Mr. Vallarta if he considered that it was necessary under the treaty that I should make any formal or written application for the extradition of the criminals. He said that he did not, as the treaty conferred ample powers upon the authorities of the frontier States to effect the extradition without diplomatic intervention or the action of the central federal government; and such instructions had been sent to the authorities of Tamaulipas.

I am, &c.,

JOHN W. FOSTER.

No. 25.

Mr. Seward to Mr. Foster.

No. 413.]

DEPARTMENT OF STATE,
Washington, August 30, 1877.

SIR: I transmit herewith a copy of a letter of the 18th instant from the Secretary of War, and of a telegram from General Ord which accompanied it, in relation to the measures taken by the Mexican authorities for the apprehension of the escaped prisoners from Rio Grande City jail, and the assault on the jail by Mexican bandits.

The department is gratified to learn of the judicious and energetic action taken by General Benavides in the matter.

I am, &c.,

F. W. SEWARD,
Acting Secretary.

[Inclosure in No. 25.]

Mr. McCrary to Mr. Evarts.

WAR DEPARTMENT,
Washington, August 18, 1877. (Received August 20.)

SIR: I have the honor to transmit for your information a copy of a telegram from General Ord, communicating intelligence received from Generals Canales and Treviño, relative to the measures taken by the Mexican authorities for the apprehension of the escaped prisoners from Rio Grande City jail, and concerning the assault on said jail by the Mexican bandits.

Very respectfully, &c.,

GEO. W. MCCRARY,
Secretary of War.

[Telegram.]

SAN ANTONIO, August 16, 1877.
(Received Washington, D. C., August 16, 1877, 9.15 p. m.)

To ADJUTANT-GENERAL,
Washington, D. C.

The following just received :

"FORT BROWN, August 15, 1877.

"A. A. GENERAL :

"Benavides has offered \$2,000 reward for the escaped prisoners, and is making every exertion to capture them. The party were desperadoes, who place at defiance the laws of Mexico as well as the United States. The disturbed condition of the frontier, in a

continual state of anarchy, gives them immunity from punishment. The central government is very little respected by the leaders on this frontier. If the government gets established it is proposed to make a change and endeavor to get order out of the confusion.

"SWEITZER,
"Commanding District."

MATAMORAS, August 15.

The following received from General Treviño, dated 14th:

"GENERAL ORD: Your telegram concerning assault by bandits on jail, Rio Grande City, which you consider done by Mexicans, received. I doubt Mexicans crossed to do this, there being plenty to do it on that side; nor do I think it just to hold authorities of Tamaulipas responsible for assault perpetrated in another country. Whether by Mexicans or not, my government will use means at hand to protect residents, but cannot go beyond her limits to protect foreign towns. General Canales and civil officers have taken prompt measures to arrest the offenders who made the assault, notice having arrived of their crossing. I repeat that the acts committed beyond jurisdiction of her officers are no just cause of complaint against this government.

"CANALES."

Above is brief of Treviño's telegram.

ORD,
Brigadier-General.

No. 26.

Mr. Foster to Mr. Evarts.

No. 594.]

LEGATION OF THE UNITED STATES,
Mexico, August 30, 1877. (Received September 13.)

SIR: In my interview to-day with Mr. Vallarta, in regard to the assault on the jail at Rio Grande City, I asked him what action had been taken by his government for the punishment of the officers who made the invasion of Texas in pursuit of Valdez's party of Lerdistas, on the 11th of June last; which is reported in your dispatch, No. 395, of June 21. He informed me in reply that the officer who ordered and commanded the expedition had been placed under arrest, and had been sent to Monterey for trial, which he supposed was now in progress.

I am, &c.,

JOHN W. FOSTER.

No. 27.

Mr. Foster to Mr. Evarts.

No. 602.]

LEGATION OF UNITED STATES,
Mexico, September 11, 1877. (Received September 26.)

SIR: When at the foreign office to-day, in response to my inquiry as to the news recently received by the government concerning the Rio Grande City raiders, Mr. Vallarta told me that information had been sent that two or more of the assailants arrested were Mexican citizens, and that the government had sent instructions to the authorities of the State of Tamaulipas to deliver them up to the American officials for trial. He said that the extradition treaty did not require the Mexican government to surrender its own citizens, but in this instance it was desirous of manifesting its disposition to do everything possible to secure the punishment of the criminals.

I assured Mr. Vallarta that if the authorities delivered the assailants under the instructions stated by him, the act would create a very favorable impression in the United States.

I am, &c.,

JOHN W. FOSTER.

No. 28.

Mr. Foster to Mr. Evarts.

No. 612.]

LEGATION OF THE UNITED STATES,
Mexico, October 6, 1877. (Received October 22.)

SIR: I have noticed the telegraphic report sent by the commanding officer at Brownsville to General Ord, that the Mexican Government had sent from Vera Cruz 1,500 federal troops to Matamoras, under command of General M. Gonzales, to relieve the state troops and irregular levies in garrisoning the Rio Grande frontier. Before this date you will doubtless have ascertained the falsity of the report; but it is to be regretted that it did not prove true.

It is just such a measure as this which I have urged upon the government of General Diaz from the beginning, and which it has constantly been promising should be done, but continues to delay putting into execution. And so long as the interior politics of the country continue threatening, and internal peace is not completely assured, I suppose the present administration will follow the practice of the past administration—reserve its best troops and most experienced and reliable officers to maintain the supremacy of the government against threatened insurrections, and leave the garrison duty of the Rio Grande frontier to such troops as can be gathered in that region, and under the command of local officers. The objections to such a course are, that the troops are both inefficient and strongly in sympathy with the prejudices and hostility of the frontier population against the citizens of Texas. The officers partake in a great degree of the same spirit, and the prevention of raids and the arrest and punishment of raiders are scarcely ever attempted in good faith.

In a letter dated on the 28th of May last, I informed you of the promise which Mr. Vallarta had made to me, that a federal force under a prominent and prudent general should be sent to that frontier. In that interview Mr. Vallarta informed me that the officer selected by the President for that service was General Manuel Gonzales, and that he was on his way to this capital to receive his instructions prior to his departure to the Rio Grande. Soon after his arrival in this city trouble was threatened in the revolutionary region of Tepic, and General Gonzales was sent to that part of the republic, on the Pacific coast, where he still remains.

It is rumored in this city that General Canales, displeased with the action of the government in ordering the delivery of the Rio Grande jail assailants, has resigned his command; and that General Treviño has also asked to be relieved, and has left the command of the Rio Grande frontier in the hands of a subordinate officer. In this way the present administration is repeating the practice of the past administrations. Whatever treaty stipulations may be made will fail in a great measure of their purpose until the Mexican Government treats the Rio

Grande frontier with more importance in a military point of view and changes its past policy in this respect.

I am, sir, &c.,

JOHN W. FOSTER.

No. 29.

Mr. Foster to Mr. Evarts.

No. 613.]

LEGATION OF THE UNITED STATES,
Mexico, October 12, 1877. (Received November 1.)

SIR: The surrender at Matamoras last month of the three Mexicans charged with the assault upon the jail at Rio Grande City to the American authorities, in accordance with the extradition treaty, has been the occasion of bitter attacks upon the Diaz government, both by the press of the frontier and the Lerdo organs and partisans in this city. It is charged that the executive, in issuing the order to General Canales to cause their unconditional surrender to the American authorities, (1st) invaded the judicial power in taking the criminals from the custody of the judge of Matamoras, who had taken cognizance of the case and had the prisoners in his custody; and (2d) that the President violated the last clause of article 6 of the treaty of extradition, which, it is contended, exempts Mexican citizens from surrender.

For the first reason, the judge at Matamoras made complaint to the department of justice, and to which Mr. Vallarta, the minister of foreign affairs, replied, by order of the President, vindicating his action. I enclose a copy and translation of the official correspondence on the subject.

The *Diario Oficial*, the official journal of the government, has replied to the second charge, which is, doubtless, the position assumed by the minister of foreign affairs, a translation of which article I transmit herewith, as indicating the unreasonable character of the attacks made upon the government for its commendable conduct in this matter.

I send also a translation of an editorial from the *Federalista*, the leading organ of the Lerdo party in this capital.

I am, sir, &c.,

JOHN W. FOSTER.

[Inclosure 1 in No. 29.—Translation.]

MEXICAN REPUBLIC, DEPARTMENT OF FOREIGN AFFAIRS, SECTION OF AMERICA.

Department of justice and public instruction, section 1st.

In a telegram of the 2d instant received to-day in this department, the citizen judge of the district of the North of Tamaulipas says to me the following:

"In conformity with article 4 of the extradition treaty with the United States, I am the proper judge to have cognizance of these matters.

"But the departments of foreign affairs and of war, in ordering General Canales to deliver the prisoners of Davis, claimed, have invaded my functions.

"I thought from what the latter told me on the 13th instant that the invasion would not be repeated; but it is not so, because it is again ordered that two prisoners be delivered by the said General Canales—Domínguez and another—which the extradition judge of Texas has asked of me.

"I pray you, therefore, to be pleased to state to the citizen President of the republic that this irregularity in making extraditions may occasion a grave conflict, sufficient to disturb the public peace on this frontier, or to give occasion to abuses on the part of our neighbors which may also occasion serious and complicated difficulties."

H. Ex. 13—4

And with the concurrence of the citizen President I transmit it to you for your information, and to the end that you may be pleased to decide upon what you may consider proper.

Liberty in the constitution.

October 5, 1877.

P. TAGLE.

To the SECRETARY OF STATE and of the DEPARTMENT OF FOREIGN AFFAIRS,
Present.

MEXICAN REPUBLIC, DEPARTMENT OF FOREIGN AFFAIRS, SECTION OF AMERICA.

The President of the republic having taken into consideration the telegram of the local judge of Matamoras of the 2d instant, inclosed with the note of your department of the 5th, has decided that the following be said in reply:

Article 4 of the treaty of extradition between Mexico and the United States establishes, as a general principle, that the delivery of fugitives from justice of each country should be made by order of the executive of the same, and the exception, with reference to crimes committed within the limits of the frontier States or Territories, does not by any means imply that in such case the federal executive is incompetent to order the extradition, but that it does not pertain to it alone to order it, but also to the governor of the State or Territory, or the political chief, (*jefe politico*), prefect, or district judge of the region of the frontier, duly authorized for the purpose by the former, or to the superior military chief when the civil authority is suspended from any cause.

Thus the competency of the federal executive to order the extradition of fugitives from justice or from the proper authorities of the United States, who solicit it in conformity with the treaty, is extended to all possible cases, with the difference that it is exclusive treating of crimes committed in States or Territories other than of the frontier, so that in such cases the said executive power only orders the delivery of fugitives from justice duly demanded; and in the case of crimes committed in frontier States or Territories it may also order the delivery through any of the enumerated authorities. This, besides being the natural and explicit meaning of the treaty, is entirely in conformity with the character of extradition, which is unquestionably an international matter, belonging, consequently, to the executive power of the federation to decide all cases in which it may be respectively asked or conceded.

The constitution charges it with directing diplomatic negotiations. Before foreign nations it is the representative of the national sovereignty, and is responsible for the fulfillment of the treaties, as well toward the governments with which they have been celebrated, as toward the republic which has intrusted to it in its federal charter the delicate trust of fulfilling the obligations contracted by those treaties and to make effective the rights acquired by the same.

Hence, if, independently of all action of the federal executive, the first civil authority of a State, or the principal authority of a frontier district or section, could take cognizance of matters of extradition and decide whether it is to be conceded or denied in certain cases, the said executive power would remain in those cases without means of preventing the violation of a treaty, and with the obligation to be responsible for it, as well to the foreign government in whose prejudice it might be committed, as to the Mexican Republic, whose decorum and interests would be compromised by such violation.

The authorities of which mention has been made should be considered, in conformity with the treaty and the nature of extradition matters, as *agents of the executive power* in order to assist it, and not with jurisdiction of their own, and still less exclusive jurisdiction.

The object of articles 2 and 4 of said treaty was simply to avoid in urgent cases the delay which would be occasioned by resorting to the federal executive of one or the other country in respectively asking and ordering the delivery of fugitives from justice; but as soon as that power has information of any of these cases the reason indicated does not exist, and the intervention of the authorities of the State or locality in the frontier district or section should cease; or at least it remains, and should remain, in all cases subordinate to the final resolution of said executive power.

The extradition of fugitives from the justice of a foreign country is not an act of judicial jurisdiction, but of national sovereignty, and the best proof of this is the treaty with the United States, which, in respect to crimes committed on the frontier, does not charge the *judicial* authorities with asking and conceding the delivery of such fugitives, but in preference the principal *civil* authority of the State, and only by delegation or special designation of the latter, the principal *civil* or judicial authorities of the district or section of the region of the frontier, indifferently, is charged with the duty.

In addition to this being the clear and explicit intention of the text of the treaty,

it is in accordance with the doctrines of European and American authors of great note, who generally, and with great profusion of philosophical reasons and public law, maintain that the extradition of fugitives from justice is not a judicial but a diplomatic matter, and consequently pertains exclusively to the power intrusted with the foreign relations of the country.

In view of the foregoing considerations, the President has been pleased to declare that the judge of Matamoras was not justified in considering his functions invaded by the order of the President in relation to the delivery of the two prisoners for the assault upon the jail at Rio Grande, since, in ordering it, he made use of his proper faculties in conformity with the treaty of extradition with the United States, and the nature of the case.

In communicating this resolution to the said judge, you will be pleased to inform him in accordance with the direction of the President, that if, as he stated in his telegram, the ordering of the extradition of the said prisoners by the federal executive power, has appeared to him as an irregularity and may be the occasion of altering the public peace of the frontier, it devolves upon the authorities of the same to dispel this erroneous idea, and to inspire the people with the greatest circumspection in matters of this class, which affect the foreign relations of the country; assuring him that in these the government is not guided by any other view than that of sustaining in every respect the national decorum.

Liberty in the constitution. Mexico, October 9, 1877.

VALLARTA.

To the SECRETARY OF STATE, and of the Department of Justice and Public Instruction.

MEXICO, October 9, 1877.

True copies.

ELENERIO AVILA.
Chief Clerk.

[Inclosure 2 in No. 29.]

[From the Official Journal, October 11, 1877.—Translation.]

EL NOTORIOSO DEL BRAVO.

This colleague, which is published in Matamoras, finds an incompatibility between the provisions of our treaty of extradition with the United States of the North and the order issued by the government of the Union to the end that the assailants and fugitives of the jail at Rio Grande City be delivered up.

We proceed to show that this order is not contrary in any manner to the provisions of the treaty.

"Neither of the contracting parties shall be bound to deliver up its own citizens under the stipulations of this treaty," says the article in question.

It is clearly seen that the two nations have not cared to impose upon themselves in all cases the obligation to refuse the extradition of their own citizens. If this had been their intention it would have been so expressed in precise terms; but, far from this, the terms of the treaty show that the contracting parties have desired to reserve the liberty of consenting or not to the extradition of their own subjects according to the special circumstances which accompany each case.

Not being obliged to do a thing does not signify the compromise to never do it; it simply signifies the liberty to do it or not to do it, according to circumstances.

It is understood from the foregoing that the Mexican Government, in ordering the extradition of the criminals of Rio Grande City, has done an act which it was not obliged to do by the respective treaty; but it has infringed or violated none of its clauses.

If we take into consideration the importance and gravity of this class of documents, as well as the attention and care in drawing them up with which diplomatists proceed to adjust them, we should suppose that if the authoritative form has been preferred to the prohibitive, it is not because it has been considered indifferent whether one was used or the other, but because there were weighty reasons at the time for preferring the former.

What may these reasons be? The high contracting parties could not do less than foresee the possibility of certain cases in which, for reasons of public morality or well-known mutual convenience, either of the two nations might consider it necessary to make the extradition of their own citizens; and with this foresight the liberty to act in one or the other manner according to circumstances was necessarily indicated in the treaty.

With much greater reason this was to have been foreseen, inasmuch as among the laws and practices of civilized nations numerous cases are found in which the latter

have consented to the extradition of their own subjects, notwithstanding that no treaty whatever obliged them to do it, cases which we will cite if it should be necessary.

In order to judge impartially the order issued by the Mexican Government, in the case under consideration, it should simply be ascertained if powerful motives exist which justify and make necessary the extradition of the assailants and refugees of the Rio Grande City jail.

It is not necessary to relate the facts of the crime committed by the said individuals, nor the special circumstances, because they are well known to the public. No one can doubt that it is proper for the two nations to mutually assist each other in securing the prompt and efficacious punishment of crimes of this nature and gravity. If an impartial examination be made of the act in question and of the circumstances which accompanied it; and if, besides, the condition of our northern frontier be considered, one cannot do less than agree that the government has acted with circumspection, and that in this case, with more reason than in any other, it should have exercised the right to make the delivery of its own citizens, which it reserved in the treaty of extradition. This proceeding was demanded by the honor of the country, which might have been wounded by suspicion, apparently well-founded, if it had acted differently.

Besides these reasons, which are possessed by the public, and which are sufficient to justify the proceedings of the government of the union, there are others of no less weight, and which have not been made public, because the opportunity has not yet arrived to do so without prejudice to the reserve which is due in negotiations of this class.

If the government in ordering the extradition of the criminals has exercised a faculty which the treaty concedes to it, and if, in exercising it, it has acted in conformity with the usages and practices of civilized nations, even by those which have always been most jealous of their honor and dignity, we do not understand what well-founded charge can be made against the order of the department of foreign affairs, which has occasioned these lines.

[Inclosure 3 in No. 29.—Translation.]

[From the *Federalista*, Lerdo organ, Mexico, October 12, 1877.]

The question of the extradition of criminals on the northern frontier, in conformity with the treaty between the United States and Mexico of the 23d of May, 1862, is becoming the subject of discussion in the press of Matamoras.

The revolutionary government is attacked with real vehemence, on account of the delivery made by order of the minister of foreign affairs, Vallarta, to the American authorities, of the supposed criminals, Pablo Parra, Bribido Outiveros, and Redolfo Espronceda, reputed to be Mexicans.

Thus is manifest in Matamoras the popular indignation at so disreputable an act, which indignation, without any doubt whatever, will be increased upon being informed of the new outrage committed in ordering that two other Mexicans be delivered also, to whom the official documents refer, which documents we will insert at the conclusion of these light comments.

The impunity with which the revolutionary government proceeds, delivering victims to American demands, is truly frightful. The selling of the people of Yucatan by Irigoyen seems less hideous than the delivery by Porfirio Diaz, and his minister Vallarta, docile and submissive, of the sons of the frontier.

In the first case the lives of the inhabitants of Yucatan were not endangered; they were simply exiled, encouraged by the hope of flight, and with it the hope of liberty. In the second case, the delivery to the American authorities of various people of the frontier is a death sentence for all of them, either judicially or by applying *lynch-law* to them, by which their lives will soon be taken.

That a Mexican, making use of the faculties of government, should break the law and treaties in order to make gifts of victims in exchange for a probable recognition of his usurping government, without regard to trampling upon the judicial authority, the fear of wounding national feeling, or the announcement of the probable disturbance of the peace, is monstrous to such a degree that it can hardly be conceived.

Nevertheless there is nothing more certain, startling, and horrible. The amazed nation contemplates the violation of its laws, the trade in its sovereignty, the mockery of its institutions, and lastly the delivery of its sons to the executioners of the neighboring nation! Can it bring upon itself greater debasement?

In the resolution which we publish signed by Mr. Vallarta, it is attempted to defend in a weak manner, and with arguments truly superficial, the proceedings in the past relating to the offense against the judicial power, entirely forgetting the treaty of extradition to which every proceeding should be subjected.

In fraction second of article 6 of the treaty, these exact words are read: "Neither of

the contracting parties shall be bound to deliver up its own citizens under the stipulations of this treaty." And, as in treaty matters, the letter of the text is obligatory, without interpretation of any kind, it may be affirmed that the Mexican authorities have no obligation to deliver up Mexicans, however exigent the American authorities may be.

To deliver Mexicans, then, without having the obligation and without the treaties demanding it, is a crime, is an attack upon the federal constitution which, in its article 126, defines treaties as the supreme law of the republic. If patriotism existed among the so-called federal powers, Porfirio Diaz and his minister Vallarta should be dragged before the grand tribunal to answer for their conduct in making the vile delivery of Mexicans. But in the epoch of social dissolution, the great virtues have disappeared, in order to cede the past to sickening and repugnant conspiracy.

Fraction second of article 1 is also explicit in the case. It is thus: "This shall be done (the extradition) only when the fact of the commission of the crime shall be so established as that the laws of the country in which the fugitive or the person so accused shall be found, would justify his or her apprehension and commitment for trial, if the crime had been there committed."

Well, then, have Porfirio Diaz and Vallarta evidence of the crime of which Parra, Ontiveros, Espronceda, and the other two Mexicans are accused? Has the legitimate arrest and trial of the accused proceeded in conformity with the laws of Mexico? Nothing is known of this in the palace, because all the evidences are in Matamoras, where, in view of them, the delivery ordered is considered monstrous.

This grave matter has consequently been decided blindly, without a knowledge of the facts, without data, with the sole idea of temporizing with the United States, flattering them, in order to ask in exchange the dreamed-of recognition.

This is the morality and patriotism of the present rulers; thus they pretend to comply with their duties as public authorities and as sons of Mexico.

No. 30.

Mr. Foster to Mr. Evarts.

No. 615.]

LEGATION OF THE UNITED STATES,
Mexico, October 16, 1877. (Received November 1, 1877.)

SIR: I transmit herewith an official telegraphic report by the Mexican general, at present in command on the Rio Grande frontier, of the crossing of American troops into Mexican territory, above Piedras Negras, in the last days of the past month, in pursuit of Lipan Indians, and the action of the Mexican troops occasioned thereby, and the reply of the minister of war thereto.

I am, sir, &c.,

JOHN W. FOSTER.

[Inclosure in No. 30.—Translation.]

[From the Diario Oficial, October 13, 1877.]

REPORT OF GENERAL NARANJO AND REPLY OF MINISTER OF WAR.

The frontier.

The following telegram has been received:

MONTEREY, October 9, 1877.

CITIZEN MINISTER OF WAR:

General Falcon reports from Piedras Negras that on September 29 an American force crossed into Mexican territory and attacked a camp of Lipan Indians, and transmits the report of Colonel Rodriguez, which gives details of the event. I send by mail the report referred to, from which I extract. Colonel Rodriguez immediately, on receiving information, started with one hundred dragoons, making a forced march of thirty leagues. Afterward he sent forward an advance of twenty dragoons and ten citizens, which overtook the American force. This force was composed of five hundred cavalry

and presented its line of battle, making a change of front for the defensive. The Mexican force imitated these movements, thus gaining time, awaiting the arrival of the colonel with re-enforcements. The Americans commenced to retire, and there was great prudence on both sides not to begin hostilities. The prudence and energy of Colonel Rodriguez do him honor.

I have ordered General Falcon to act in accord and on the terms which he indicates to me in a private letter, and that he continue to sustain with dignity the national honor.

F. NARANJO,

MEXICO, October 13, 1877.

General FRANCIS NARANJO:

The President of the republic has been informed of an American force, consisting of five hundred cavalry, crossing into Mexico and attacking a band of Lipan Indians. The report of Colonel Rodriguez, in which details are given, is awaited in order that the proper resolution may be taken.

OGAZAN,
Minister of War.

No. 31.

Mr. Foster to Mr. Evarts.

No. 616.]

LEGATION OF THE UNITED STATES,
Mexico, October 18, 1877. (Received November 6.)

SIR: Referring to my No. 613, of the 12th instant, on the subject of the defense by the minister of foreign affairs of the order of the executive for the extradition of three of the assailants of the Rio Grande city jail, I now transmit a translation of an additional editorial from the government official journal of yesterday. This article discusses the last clause of article VI of the extradition treaty, maintaining that the said clause does not absolutely exempt Mexican citizens from extradition, but simply reserves to the executive the right to decline to surrender its own citizens or not, as convenience or public policy may determine. It proceeds to a citation of treaties and authorities, to show that it is the practice of other nations to surrender their citizens or subjects for crimes committed in other countries, and defends the action of the executive as in accordance with the more advanced and enlightened principles of international law and comity, and as required by the peculiar circumstances of the crime in question and the condition of affairs on the Rio Grande frontier. The editorial may be considered as an authoritative exposition of the views of the minister of foreign affairs.

I am, sir, &c.

JOHN W. FOSTER.

[Inclosure in No. 31.—Translation.]

[From the *Diario Oficial*, October 17, 1877.]

MORE IN REGARD TO EXTRADITION.

The note of the department of foreign affairs, communicating to that of justice the decision in regard to the extradition of the refugees and assailants of the jail at Rio Grande City, states with clearness and precision the foundations of the said resolution of the supreme government, so that it appears unnecessary to enter upon further explanations, which can only be excused by the persistency of certain newspapers in censuring that resolution.

The interpretation which the department of foreign affairs has given to article 6 of the treaty is the natural and genuine one, it being understood that the clause is restrictive, authorizing the extradition of citizens subordinate to reasons of convenience.

The article enumerates the cases in which, in an absolute manner, the extradition shall not occur, and continues: "Neither of the contracting parties shall be bound to deliver up its own citizens under the stipulations of this treaty."

Article 10 of the treaty concluded between the Argentine and Uruguay Republics on the 14th of June, 1865, is similar to that under consideration, since it says: "If the criminal demanded shall be a citizen of the nation upon which the demand is made, its government will not be obliged to make the extradition." "Thus this clause," says a French publicist, "authorizes, under certain restrictions, the extradition of natives." *Billot, Personnes passibles d'extradition, cap. 2, lib. 2.*)

As is seen, the interpretation of the treaty is not arbitrary or forced, as appears to the newspapers alluded to, in their task of vituperating all the acts of the government.

The editor of the *Federalista*, whom we believe much better versed than we are in the history of France, cannot do less than admit that Napoleon was a ruler jealous of the national honor, and nevertheless he issued in Amsterdam the decree of the 23d of October, 1811, permitting the extradition of his own subjects accused of crimes committed in foreign territory. Certain authors have considered the imperial decree repealed by article 4 and 62 of the charter of 1814, which are found reproduced in that of 1830; but those of greater note agree "that the government has proclaimed in a decree that French citizens could be delivered up to foreign justice." (*M. Faustine Helie, Traité de l'Instruction Criminelle, t. ii, ch. 5.*)

The treaties of France signed with England on the 13th of February, and with the United States on the 9th of November, 1843, express in a specific manner "that extradition should be applied to all persons accused, &c."

The latter power has always shown itself disposed to agree to the extradition of its citizens. It does not admit that a man may be justly withdrawn from the jurisdiction of a country whose laws he has violated. It has considered it to be its duty to adopt more elevated views, making concessions to the common interest which all civilized people have in the suppression of crime. Thus it is that, in treaty of the 9th of August, 1792, celebrated with England, it has stipulated for the mutual delivery of criminals, whose crimes are there specified, (all persons who, being charged with the crime of murder, or assault, &c.) Like stipulations are contained in the treaties of the 30th of September, 1868, between Italy and the United States; that of the 19th of September, 1870, between that republic and that of Nicaragua; and that of the 25th of November, 1850, concluded between Switzerland and the United States. The convention of the 31 of July, 1856, celebrated between Austria and the United States, comprehends the same clauses.

In the official edition of the treaties and conventions celebrated between the United States of America and other powers from the 4th of July, 1776, we find among the explanatory notes the following, in chapter relating to extradition: "Unless otherwise provided by treaty, it is immaterial whether the person demanded is or is not a citizen of the United States." Wheaton teaches the same. (*State Trials, 392.*)

Without the necessity of engulfing ourselves in works of international law, where our adversaries will encounter innumerable cases of extradition, even without the pre-existence of a treaty which authorizes it, we will limit ourselves to citing that of Mr. Henry Tourville, an English subject whose extradition was asked of the English authorities and conceded by the same in the month of December last. The accused was taken before the tribunal of Botzen (Tyrol) where he was tried.

The *Federalista* and the *Bandera Nacional* will be easily convinced that even without the necessity of a formal extradition treaty, it has been asked and conceded by different states, which is the common practice of civilized nations.

On the part of the country which determines the delivery of the individual demanded, the extradition is an act of supreme authority. It pertains, therefore, to the Federal Executive, as intrusted with the custody and exercise of the supreme power, to authorize a measure of this nature. When governments intrust these attributes to other magistrates, they simply delegate their faculties, being able, consequently, to make such delegation when they judge it opportune.

Has the government failed in its duties of giving protection to Mexicans in conceding the extradition of three of the latter for crimes committed against a foreign nation? Will it not be a matter of reciprocal convenience not to convert the banks of the Bravo into an asylum for criminals—a perennial spring of mutual reclamations? It is necessary to agree that the duties of the protection of a state toward its citizens lacks the extension which certain writers of what is called the opposition attempt with exaggeration to give them. These duties are limited to seeing that no citizen becomes the victim of an express denial of justice in a foreign country, of a manifest refusal of equity, or of barbarous practices condemned by civilization. If the government has duties toward citizens, it has also international duties with which to comply, to which it would be unfaithful by refusing its assistance in the exercise of salutary justice.

Concerning the speculations relative to General Canales, they have for their object the desire to create divisions and sow discord among the public functionaries.

No. 32.

Mr. Evarts to Mr. Foster.

No. 421.]

DEPARTMENT OF STATE,
Washington, October 24, 1877.

SIR: Your dispatch No. 612, of the 6th instant, in reference to troops for the Rio Grande frontier, has been received. In suppressing border disturbances and in bringing offenders to justice it is not doubted that the Mexican regular troops are more efficient and impartial than the local levies to which you advert.

I am, &c.,

WM. M. EVARTS.

No. 33.

Señor Mariscal to Mr. Evarts.

[Translation.]

LEGATION OF MEXICO IN THE UNITED STATES,
Washington, April 28, 1877.

MR. SECRETARY: On the 3d instant an occurrence took place between Eagle Pass, Texas, and the Mexican town of Piedras Negras, to which I find myself obliged to call your attention. A number of United States soldiers, under the command of Colonel Shafter, crossed the Rio Bravo, (Rio Grande,) and proceeded to the aforesaid town for the purpose of liberating by force two men who had been arrested by the local authorities on Mexican soil.

I received immediate notice of the occurrence by telegraph, which was confirmed from various sources. Expecting, however, somewhat fuller and more reliable data, I confined myself to informing Mr. Frederick Seward, Assistant Secretary of State, of the incident, in a general way, in the interview which I had the honor to have with him a few days since. I have to-day received information sufficient to enable me to form an idea of what took place, and I take the liberty of transmitting it in the inclosed copies of the letters which passed between the Mexican consul at San Antonio and the military commandant of the Department of Texas.

As you will be pleased to observe, General Ord admits that the act to which I refer was performed by his order; and he alludes, moreover, to the crossing of another party of soldiers from his department to the territory of Mexico in pursuit of Indians, on which occasion the two men served as guides to the foreign force. The same general, as he states in his communication, sent word to the alcalde of Piedras Negras, "That the guides, who were under arrest, had acted in accordance with the permission obtained by the present authorities from the district of Mexico, and by authority from Washington." I quote the exact words of the communication, which was written in Castillian, according to the copy sent me by Mr. Morales, the consul; and I must declare that I do not understand to what permission obtained or given in the city of Mexico General Ord can have reference. From the data on file at the legation under my charge, I am certain that my government, notwithstanding its earnest desire to co-operate with the United States in the

pursuit of Indians or criminals on the frontier, has not granted a general permit to pursue them, to the troops of this country, being prevented from doing so by an article in the constitution of the republic.

Even if a permit had been granted (contrary to the information which I have received) for the crossing of the river in pursuit of Indians, this would not justify the subsequent occupation of Piedras Negras, and the threat made by the force to liberate two prisoners who were subject to the jurisdiction of Mexico, and who, moreover, were probably Mexicans. As peace happily prevails between the two countries, there is no possible circumstance that could justify such an act, as the eminent jurist whom I have the honor to address is well aware.

It is not only a violation of Mexican territory that was committed in this last instance, but a direct insult was offered to the authorities of the country, who were threatened with military force to the end that they should surrender two persons who were beyond a doubt subject to their jurisdiction. If the prisoners were not rescued by violence, this was due to the fact that they had been removed to the interior; and if there was no effusion of blood nor anything else to render the occurrence still more lamentable, it was only because, as it appears, resistance was just then impossible. Still, the effect produced upon the Mexicans residing near the Rio Bravo, and which will be produced throughout the rest of my country by this unexpected attack, is totally at variance with what is to be desired for the preservation of harmony between two neighboring nations, and especially for the paving of a way to the settlement of certain international difficulties peculiar to that frontier.

In view of these considerations, and of others which cannot escape the penetration of the Government of the United States, I hope that the parties who are responsible for the act to which I refer will be reprimanded as they deserve, and that suitable measures will be taken to prevent a repetition of similar acts; all the more, inasmuch as (if there is any foundation for certain rumors published by the press) there is a plan on foot, and preparations are being made in Texas to continue invading the territory of Mexico, whenever the military authorities may think proper.

I avail myself, &c.

IGNO MARISCAL.

Hon. WILLIAM M. EVARTS, &c.

[Inclosure 1 in No. 33.—Translation.]

Señor Morales to General Ord.

MEXICAN CONSULATE AT SAN ANTONIO DE BEXAR, TEX.,
San Antonio de Bexar, Tex., April 9, 1877.

I yesterday received a letter from Piedras Negras, dated the 4th instant, whereby I am informed that, on the day previous at day-break the inhabitants of that town were surprised by the appearance of a force of United States infantry and cavalry, under the command of Colonel Shafter, and also that the artillery of Fort Duncan, on the American side, was placed in such a position as to menace Piedras Negras, causing general consternation in every family, the people being unable to explain the cause of that invasion, and still less to conjecture what would be the final result.

As I regard this information as perfectly reliable, I am surprised that this occurrence took place without being preceded by such requisites as are indispensable in such cases; yet, as it may be that you have received instructions for your guidance in such cases, which may have been issued in pursuance of an arrangement between the Government of the United States and that of the country which I have the honor to represent, I abstain for the present from making any complaint against the parties who committed this act, simply requesting you, if there is nothing to prevent, to be pleased to inform

me in regard to this occurrence, principally as to the causes which may have existed for the introduction of United States forces into the port of Piedras Negras.

Being convinced of the desire which you have ever entertained for the preservation of peace and the maintenance of friendly relations with the Mexican authorities of the border, I trust that the disagreeable occurrences to which I refer in this note are not to be attributed to causes calculated to disturb the aforementioned peace and friendly relations, and that, whatever may have been the causes which gave rise to these occurrences, they will that prevent a peaceful settlement, and one that shall be satisfactory to both countries, from being reached, when they are brought to the knowledge of our respective governments.

Be pleased, general, to accept the assurance of my highest consideration and most distinguished esteem.

Independence and liberty.

M. M. MORALES.

General F. O. C. ORD,

Military Commandant of the Department of Texas, present.

A copy.

CAYETANO ROMERO,
Second Secretary.

WASHINGTON, April 28, 1877.

[Inclosure 2 in No. 33.—Translation.]

General Ord to Señor Morales.

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., April 14, 1877.

ESTEEMED SIR: Your favor of the 9th instant has been received, and I take great pleasure in communicating to you the particulars which I have received by telegraph in respect to the matter to which you refer in your letter. The official report has not yet been received.

On the 1st or 2d instant, I received information from Fort Clark that the commandant of the district had learned that two of the guides employed by him to follow trails and to accompany a party of troops had found the trail of a band of Indians who had shortly before crossed over into Mexico with a drove of cattle which had been stolen on this side of the river, and that said guides had been arrested by the local authorities of Piedras Negras, and their lives threatened. I telegraphed to Col. S. H. Taylor, the adjutant-general of the department, who was at Fort Clark, to go immediately and acquaint the authorities with the facts and state to them the object of the expedition, informing them that the guides who had been arrested had acted in accordance with the permission obtained by the present authorities from the district of Mexico, and by authority from Washington, and that any injury done to said guides for their services to the United States forces would be considered as a protection to the hostile Indians who make it their business to steal from citizens of the United States and to devastate their lands.

I also instructed him to demand the immediate release of said guides, and in case said authorities should refuse to release them and the guides should declare that they were American citizens and were in danger of being shot for having aided the United States, to make use of all the force at his disposal to secure their liberty. Fearing that the lives of these men were at the mercy of irresponsible persons, or that, in consequence of the bitter feeling caused by the civil war prevailing in Coahuila, they would be summarily shot, I telegraphed to the officer in command of Fort Duncan inquiring concerning the situation of the two guides, to which he replied that they were under arrest and considered as traitors, and that they would probably be tried by incompetent authorities and shot. Fearing that these men would be murdered, and there being no time to investigate the question of their citizenship or to address the superior authorities, I ordered the commanding officer to go that very night to see the alcalde and state to him what I had telegraphed to Colonel Taylor, and to demand the immediate release of the men.

Having obeyed the order, he reported that the guides were imprisoned by order of the alcalde, who asserted that they had been arrested in pursuance of instructions received from the government, and that he refused to release them, and that his orders were to arrest any person who should act as a guide to the troops of the United States in Mexico.

In accordance with the instructions aforementioned, the troops crossed the next night for the purpose of rescuing the guides by force, but, finding that they had been taken to some other place, returned without firing a shot. The best relations having previously existed between the military authorities of the Mexican frontier and those

of this side, and our officers having furnished guides to the Mexican troops to enable them to arrest refugees and offenders against the laws of Mexico on this side of the Rio Grande, the unusual course pursued by the local authorities of Coahuila surprises me, both for reasons already stated and because it must be supposed that the central government is responsible for their acts; and as these authorities have openly expressed a determination to defend and protect the hostile Indians from the consequences of their incursions into the United States, and of their depredations committed against the property of American citizens by means of their government, a just claim against Mexico for indemnity for all the acts committed by the Indians while under the protection of its agents— (No verb expressed.)

I avail myself of this occasion to offer you, sir, the assurance of my highest consideration and most distinguished esteem.

E. O. C. ORD,

Brigadier-General and Military Commandant of the Department of Texas.

M. M. MORALES, Esq.,

Consul of Mexico, Present.

A copy.

CAYETANO ROMERO,
Second Secretary.

WASHINGTON, April 28, 1877.

No. 34.

Mr. Evarts to Señor Mariscal.

DEPARTMENT OF STATE,

Washington, May 1, 1877.

SIR: I have the honor to acknowledge the receipt of your note of the 28th ultimo, with inclosures, in relation to the proceeding of General Ord in regard to the case of the two men who acted as guides to the United States troops in pursuit of wild Indians, and who were arrested by the Mexican authorities of Piedras Negras, and in reply to state that inquiry will be made into the subject.

Accept, sir, a renewed assurance of my high consideration.

WM. M. EVARTS.

No. 35.

Memorandum left with Mr. Evarts by Señor Mariscal June 7, 1877.

Mr. Mariscal said that, in order to explain the painful surprise with which he had seen the instructions given to General Sherman for the use of the Army across the Rio Grande, he would briefly refer to some facts connected with the history of the so-called Mexican depredations in Texas.

In the year 1872, the Government of Mexico sent to the border an investigating commission, who invited the parties on both sides to give their testimony on the alleged outrages. This was in consequence of an American commission appointed by the Executive having reported in favor of enormous claims.

The Mexican commission worked most conscientiously and proved that such claims were exaggerated to an amount really absurd. They also showed, among other things, that the robberies committed about the frontier were mutual from one country to the other, and that those occurring in Texas were generally perpetrated either by American Indians or by men of doubtful nationality, and when by Mexicans, it was

because there were among the Texans organizers and promoters of those raids. He (Mr. Mariscal) sent officially a book in English with the reports of that commission, and called to its contents the attention of Secretary Fish.

A new American commission was sent to the frontier, who acknowledged the monstrosity of the claims advocated by the former. Then a bill was introduced in the House of Representatives proposing to authorize the Executive for the use of the Army on the border precisely in the same manner now decided upon.

In spite of the efforts of influential parties, and particularly by the Hon. Mr. Schleicher, who wrote an elaborate report, as the chairman of a special committee, the bill did not pass, because, as was shown in the debate, such policy was considered detrimental to the rights of a neighboring nation with whom the United States was at peace. The House simply authorized the Executive to organize some cavalry troops for the custody of the frontier. These troops, as Mr. Mariscal understands, were placed in the region designated, and either their presence, or some other causes which he is not prepared to specify, have produced considerable diminution of the alleged depredations. This is a fact recognized by the very organ of the bordermen, (The *Ranchero*,) a newspaper published in Brownsville.

In the mean time, and when very little was heard of cattle robberies near the Rio Grande, General Ord dispatched recently some troops to the Mexican town of Piedras Negras, not in pursuit of robbers, but to compel the authorities there to surrender two men—two Mexicans—who were in jail preparatory to their trial. The reason alleged for this high-handed act seems to be that the two men had served as scouts to American troops for the pursuit in Mexico of some Indians, and the general wanted to save them from the punishment which they incurred by violating the laws of their country. Mr. Mariscal has complained, in a note to Mr. Evarts, of this unexpected outrage to Mexico, and the Department of State offered him to make an inquiry of the facts.

In view of all these antecedents, he cannot but feel surprised that now the policy has been adopted, proposed unsuccessfully last year by the Hon. Mr. Schleicher, of openly threatening Mexico with the invasion of her territory, and that such adoption takes place when the depredations have diminished, and no recent and considerable ones can be alleged. He is equally surprised that, in the instructions alluded to, the discretion is expressly trusted of General Ord, who has recently made himself responsible for the most unjustifiable invasion in Mexico.

Without the least reflection to persons who, like the Hon. Mr. Schleicher, may promote in good faith the policy now adopted, he had to remember a fact characteristic of the intrigues set up for the agitation of questions in regard to the frontier and against Mexico.

In 1875, during certain excitement in Texas on account of a raid of bandits, it was telegraphed from Washington that he (Mr. Mariscal) had affirmed in a dispatch to the Secretary of State that the depredations committed in that region were due to ex-Confederate soldiers. That telegram gave occasion to a public meeting in Brownsville, condemning Mr. Mariscal's supposed conduct, and casting odium against Mexico or its representative.

Mr. Fish knew that Mr. Mariscal never made any similar statement, either in writing or verbally, and reproved those intrigues in which some Federal officials were concerned who took a prominent part in the meeting.

Intrigues will always be used to create difficulties with Mexico on

account of the frontier, and he is very sorry that this time they seem to have prevailed upon the sound judgment and sense of justice of the American Government.

In conclusion, he considers it now his painful duty to protest, and he does most respectfully and earnestly protest against all invasions of the Mexican territory under any circumstances whatever. He confidentially announces that the Government of Mexico will never consent or overlook them. Its sense of duty, and public opinion, unanimous on this point, will always cause it to remonstrate against the determination to carry them into effect, and if, unfortunately, they should be insisted upon, to adopt such measures as the dignity of the nation may demand.

IGNO. MARISCAL.

No. 36.

Señor de Cuellar to Mr. Evarts.

[Translation.]

MEXICAN LEGATION IN THE UNITED STATES,
Washington, September 7, 1877.

MR. SECRETARY: In pursuance of instructions received from my government, I have the honor herewith to transmit to you a copy of a note addressed to me by the minister of foreign relations of the Mexican republic, under date of the 18th of August last. I will thank you to acknowledge its receipt.

I renew to you, Mr. Secretary, with this motive, the assurances of my very high consideration.

JOSÉ T. DE CUELLAR.

Hon. WILLIAM M. EVARTS, &c.

[Inclosure in No. 36.—Translation.]

Señor Vallarta to Señor de Cuellar.

MEXICAN REPUBLIC—MINISTRY OF FOREIGN RELATIONS.
SECTION OF AMERICA, No 112—OFFENSES AGAINST MEXICO.
MEXICO CITY, August 18, 1877.

For some years past the invasions of United States forces have been succeeding each other, constantly assuming a graver character. Meanwhile, the protests and complaints made by Mexico against these acts, which she has always considered as a violation of her territorial rights, have not been sufficient to prevent them.

In May, 1873, Colonel McKenzie entered Mexican territory, where he attacked the Kickapoo Indians, killing some, capturing others, and dispersing the rest. The government considered this invasion as an infraction of international stipulations, and instructed its minister at Washington to complain, with a view to obtaining satisfactory explanations with regard to that act, and a promise that similar acts should not be repeated in future.

The minister, in obedience to these instructions, addressed to the Department of State his note of January 14, 1874, setting forth the rights of Mexico and asking due reparation. The Secretary of State acknowledged the receipt of this note on the 5th of February following, saying that the War Department had been asked for information, in order that a sufficiently full reply might be sent.

At the beginning of the year 1874, Governor Coke, of Texas, issued an order to Captain Menavides to pursue cattle-thieves with his company as far as possible, "both on this side of the river and on the other." The invasion of Mexican territory which was thus ordered very properly attracted the attention of the Department of State, seeing that "that order does not respect the national boundary-line of the Rio Grande, but gives authority to cross it and enter Mexico in pursuit of cattle-thieves," and the honorable Mr. Fish requested the Attorney-General of the United States to address

that governor, as he did on the 23d of July, 1874, asking him for a report of his conduct, "that it may be considered," says the Attorney-General to Mr. Coke, "to what extent you have rendered yourself accountable, according to the laws of the United States, for the order which has been given to invade Mexican territory." At the same time the governor's attention was called to article 6 of the law of April 20, 1818, in view of which the Department of State had addressed the Attorney-General.

Governor Coke, in justification of his conduct, enters into various considerations, which, in his opinion, sustain his order. The most remarkable ground alleged in defense of this order is thus stated by the governor: "This necessity (that American troops should invade Mexican territory in pursuit of cattle-thieves) has been twice recognized and acted upon * * * by a brave and skillful officer of the United States Army. * * * I refer to General McKenzie, who, with his troops, pursued bands of cattle-thieves, crossing the boundary-line, and, on one of these occasions, it is believed that he inflicted condign punishment upon them on Mexican soil. Not a word of disapprobation has ever been heard here from the government at Washington on account of the action of that distinguished officer, while the press and the people of this country have applauded it highly." From that precedent, which is condemned by international law, he deduces the following still more illegal inference: "If the troops of the United States have a right to cross the frontier and to continue the pursuit of cattle-thieves on Mexican soil, of which there is no doubt, the troops of the State of Texas, which are doing the duty of those of the United States, and which are doing it because there are no United States troops there (on the frontier) to do it, have the same right."

Although the Attorney-General referred to article 6 of the law of April 20, 1818, which renders punishable as a grave crime the "procuring or preparing of any military expedition or enterprise on American soil against the territory or dominion of any foreign prince, state, colony, district, or people, with whom the United States are at peace;" nevertheless this ministry is not aware that any action was taken by the Attorney-General against the offending governor; it is not aware that a single word of disapproval has been uttered by the Washington Government against this violation of the law of nations and that of the United States; still more, it is in evidence that orders similar to that of Governor Coke have emanated from Texas to invade the national territory. The silence, the acquiescence of the Government of the United States, after receiving the report of Governor Coke, on seeing the invasion of General McKenzie referred to as a legal precedent, gave, as early as 1874, a much graver character to the invasions of Mexico.

In November, 1875, Captain McNally, in the service of Texas, who had received orders similar to those issued by Governor Coke, commanded another invasion, in which Captain Randlett, of the United States Army, also took part. While this was going on, General Potter notified the military commandant at Matamoras that some cattle had been stolen on the American side, and that the thieves had crossed the river with the animals; that an officer of the United States Army had notified the Mexican authorities that if the cattle were not returned and the thieves surrendered, he would cross over into Mexican territory.

As soon as General Fuero was informed of these occurrences he sent a telegram, on the 19th of the same month of November, to General Potter, saying that the law of nations and existing treaties had provided the legal means which must precede a resort to violence in case of any difficulty between the two republics, and that this invasion of Mexican soil was therefore unjustifiable before the civilized world. He requested him to order the immediate return of the American forces from the national territory, and notified him that if, unhappily, he should fail to do this, he would be under the painful necessity in order to protect the honor of Mexico, not only of protesting energetically against the proceeding, in the name of his government, but also of repelling force by force. General Potter, doing justice to that demand, apologized for the violation of Mexican territory, saying that it had been done in disobedience of his orders, but that the troops had already left the soil of Mexico, having done so on the evening of that day (the 19th) at 6 o'clock. General Potter admitted that this act was a violation of the laws to which General Fuero alluded; he repeated, however, that it was because the officers of the United States troops had disobeyed the orders given them; nevertheless the Mexican Government is not aware that that of the United States has punished that violation of the national territory or the insubordination of the officers to whom General Potter referred. The protest of General Fuero was not the only means used by Mexico on that occasion to cause her rights to be recognized. On the 22d of December, 1875, her minister plenipotentiary at Washington addressed a note to the Department of State, calling its attention to these occurrences, particularly to the fact revealed by General Potter, that the insubordination of the American officers was the cause of the last invasion. The minister pointed out the necessity of the adoption of more efficient measures for the prevention of military expeditions to the soil of Mexico, on the impropriety and serious dangers of which, to the harmony prevailing between the two nations, he did not need to dwell. This note received no reply from the Department of

State, although the act which gave rise to it renders still more grave the offense toward Mexico.

After this came another invasion, which, in view of the special circumstances attending it, was still more offensive than its predecessors; I refer to that of Colonel Shafter in April last, at Piedras Negras. This officer did not come in pursuit of savages or cat-e-thieves, nor did he come to demand the return of property stolen from American citizens, which had been the pretexts for the previous invasions. He came solely for the purpose of rescuing from the Mexican authorities two Mexican delinquents, who had committed an offense on Mexican soil, and who were on trial for that off use.

As soon as this ministry became aware of these facts, it instructed the Mexican plenipotentiary at Washington to present a reclamation, asking that the guilty parties might be punished, and that the necessary guarantees might be given for the future. Our representative consequently addressed a note to the Department of State on the 24th of April last, denying, in the first place, that the American officer who had invaded Mexico had received any permission from the local authorities to enter Mexican territory, which permission was appealed to as a pretext to justify the invasion. In the same note it was said that even if such permission had been given, it would never sanction the outrages done to the republic at Piedras Negras, in endeavoring forcibly to rescue two Mexicans, charged with a crime, from the hands of the Mexican authorities; it was stated that not only was this a violation of the territory of the republic, but a direct insult to the authorities; finally the punishment of the guilty parties was demanded and the adoption of the necessary measures to prevent the repetition of similar acts. On the 1st of May the Department of State acknowledged the receipt of this note and said that it would ask for information as to what had occurred. The Government of the United States has made no reply to any one of all these reclamations.

One circumstance, remarkable on more than one account, is to be considered in this last invasion. J. H. Taylor, adjutant-general of the Department of Texas, addressed a note to the governor of Coahuila, in which he inclosed a telegram from the brigadier-general-in-chief of the United States troops in Texas, in which telegram it is said that the injuries done to the arrested Mexicans, who served as guides to the American troops in the pursuit of the Indians, which pursuit took place with the consent of the *de facto* commander of the Mexican troops in the district, could only be considered as a declaration of a desire on the part of the then governor to co-operate with the savages in their depredations on American territory, and that he would so state to the President.

The governor replied to this strange notification, saying that he thought it improper for him to enter into explanations concerning his conduct with a foreign officer with respect to an act (the arrest of the two Mexicans) for which he was authorized by the laws of the republic, either on account of the territory in which it was executed, or on account of the persons responsible for it; that only out of courtesy, and in defense of the dignity of Mexico, he confined himself to saying that no permission had been given for the invasion of Lieutenant-Colonel Shafter, and that the arrest in question was made for acts which must be tried by the courts of the republic alone. He added that it was required by his dignity and for his justification that he should energetically repel the insulting assertion that the government of Coahuila encouraged the savages to invade American territory, whereas the Mexican authorities had at all times endeavored, with solicitous zeal, and at the cost of heavy sacrifices, to pursue the savages as enemies of mankind.

It is readily seen that the attempt was made, by means of that notification, to seek a pretext to justify the invasion. That object, however, was not realized. Unfounded as is the statement that any of the authorities ever granted permission to do what was done at Piedras Negras, these acts cannot be justified in any way, and the charge made against the governor of Coahuila being an unjust one, neither could he, even if it were true, have authorized the proceeding of Lieutenant-Colonel Shafter. Without demonstrating that international law does not permit the invasion of a foreign territory, even under pretext of punishing a delinquent who has taken refuge there, it will be sufficient to make this assertion; and, in order to sustain that even an infraction of any article of the treaties does not authorize any aggressive act between the two republics, it will be sufficient to copy the words of article 34, stipulations 2 and 3 of the treaty of April 5, 1831. They are as follows:

"2d. If one or more citizens of either of the parties shall infringe any article of this treaty, he shall be personally responsible therefor; but the harmony and good understanding shall not, for that reason, be interrupted between the two nations; to which end both parties pledge themselves not to protect the aggressor, nor to sanction such an infraction.

"3d. If any of the articles of this treaty should, unhappily, be violated or infringed in any way, it is hereby stipulated that neither of the contracting parties shall order or authorize reprisals of any kind, or declare war against the other on account of complaint of injury or damage, until the party considering itself aggrieved shall have pre-

sent to the other a report of the injuries or damages, accompanied by due proof, and shall have asked that justice be done in the matter and satisfaction given, and until this shall have been denied or unreasonably delayed."

As the assertion has been frequently made, in justification of the invasions of Texas, that our citizens and the local authorities on the frontier protect the cattle thieves and Indians, let it be allowed once for all to protest against this assertion, quoting those words of the treaty to show the right which Mexico has to oppose invasions which are based on such grounds.

On the 23d of May last the minister plenipotentiary of the United States had a conference with the present secretary of foreign relations, the principal object of which was to discuss the last invasion. That plenipotentiary then said that he had received instructions from his government to deliver to that of Mexico a copy of the telegram of April 3, signed by General Ord, (the same that Adjutant-General Taylor transcribed to the governor of Coahuila,) presenting that document as a justification of the conduct of Lieutenant-Colonel Shafter. The undersigned secretary said in reply, that he already had knowledge of that document, and that it could in no wise justify the invasion of Piedras Negras, giving, at the same time, the reasons above indicated. He added that said telegram, together with other documents relative to the matter, had already been sent to the Mexican legation at Washington, and that he had been ordered to insist upon the reclamation which he had been instructed to present from which reclamation the Mexican Government expected the satisfaction which was justly its due. Before any was given, the order of the War Department of the United States, bearing date of the 1st of June last, was published in the newspapers of that republic. This was addressed to General Sherman, and directed him to give instructions to General Ord to act according to his own discretion in the case referred to, in the pursuit of bands of thieves, and to authorize him to enter the territory of Mexico, to apprehend and punish them, and "to recover the property of our citizens," says the order, "which he may find in possession of Mexicans on the other side of the river." To that order the Mexican Government replied by one of the 18th of the same June, issued by the ministry of war, and addressed to General Treviño. The honor of the republic imperiously demanded what was therein contained, because the instructions given to General Ord are offensive to Mexico and in contravention of the international pledges between the two republics.

During the past month of June the same minister plenipotentiary of the United States had various other conferences with the secretary of foreign relations, in which reference was made to the difficulties on the frontier, and particularly to the order communicated to General Sherman. The plenipotentiary sought to justify the instructions addressed to General Ord, on account of the charges made against Mexico, to the effect that she was powerless, or had no disposition to pursue the thieves. The undersigned minister, from a sense of duty, and inspired by the most profound conviction, answered those charges; he showed those instructions to be contrary to international law and to the treaties in force between the two nations, and sustained the policy of the Mexican Government. The substance of the discussions held in those conferences in regard to this matter is given in the memoranda and notes which have already been published.

Among the reasons with which the present secretary of state defended Mexico, there is one which must not be overlooked. For the special purpose of settling the frontier difficulties, to demonstrate with facts that the present government has the will and the power to effect that settlement, it sent a plenipotentiary to Washington with powers *ad hoc* and the necessary instructions, whose principal mission is to propose the measures which, in the judgment of the Mexican Government, are necessary to settle those difficulties practically and satisfactorily, and to take care of the frontiers in a special manner until the two governments may be able to agree upon the most fitting, radical, and permanent measures to reach that settlement; it re-enforced the troops which it already had in that section, sending, in addition to this, an officer of a high grade in the army to make a practical examination of the military question on the frontier, that it might avail itself of his reports in the settlement of said difficulties.

But when the Mexican Government hoped, in view of this fact, which triumphantly answers the charges against Mexico, that the motives or pretexts to continue invading the national territory would entirely cease, it has been pained to see that, toward the close of June last, the same Lieutenant-Colonel Shafter again violated the territory, repeating the offensive acts, and, in spite of the protests which the republic has so long been making, and although the government has ordered a new protest to be made for this new offense, as none of those hitherto made has been sufficient to secure the rights of the republic, it has deemed it to be its imperative duty to consider this most serious question, not referring it simply to isolated facts, but examining it in all its transcendancy and looking at it in its entirety, in order thus to present it to the consideration of the Washington Cabinet.

Many and of various kinds are the reasons which have been alleged by the United States for invading the territory of Mexico. The supposed powerlessness of Mexico to

fulfill the stipulations of the treaties; the right which is claimed by the United States to make amends for that powerlessness; the unfounded accusation of connivance on the part of the citizens of Mexico and the local authorities of the frontier with the thieves and the Indians; the protestations that the invasions are not hostile to Mexico, inasmuch as their object is only to punish criminals, and other pretexts of less importance, although more offensive to Mexico, like those invoked by Governor Coke, have at various times been presented as grounds for the invasions which Mexico has suffered. Can these alleged motives serve as a reason for them in the light of international law and of the treaties now in force? This is not the first time that the United States have claimed to assume the right to invade Mexico, alleging the powerlessness of the republic to fulfill its international duties. Even before the treaty of 1848 was concluded, and when article 33 of that of 1831 was in force, it was alleged that that article rendered it obligatory upon each of the two countries to prevent by force any hostile incursions of Indians into the territory of the one from that of the other, and that, if Mexico could not fulfill that stipulation, the United States had a right to invade Mexican territory in pursuit of Indians.

Although that article was afterward abrogated, and the eleventh article of the treaty of Guadalupe Hidalgo made it the duty of the United States only to prevent the invasions of Indians on both frontiers, and although, finally, the second article of the treaty of December 30, 1853, abrogated those two articles, the same arguments are still used against Mexico, as if the legal foundation on which it is pretended to have them were still in force. In the order of June 1, issued by the Department of State, are these words: " * * * * "In like manner he will inform said authorities (those of the frontier) that if the Government of Mexico continues to neglect its duty to prevent these outrages (the incursions of cattle-thieves) this government will assume the performance of that duty, and, if circumstances render it necessary, will send our forces across the Mexican frontier."

The grounds of these arguments are entirely false. Article 33 of the treaty of 1831, although it made it the duty of Mexico to repress Indian incursions, never gave the United States the right to invade Mexican territory in case that duty should be neglected. On the contrary, the context of the treaty shows that both nations absolutely reserved their territorial rights without compromising them in any manner whatever. That instrument, moreover, contains explicit clauses providing that neither the neglect of that duty, nor the failure to fulfill any stipulation, shall ever authorize aggressive or hostile acts between the two countries. Article 34, stipulation 3, of the same treaty, which provides that the infraction or violation of one of its articles shall authorize no reprisals and no aggressive act on the part of the other nation, but that it obliges the offended nation to present a statement of the injuries or damages which it has suffered, in order to ask corresponding satisfaction of the offender, without being at liberty to resort to hostile or aggressive acts, save when such satisfaction is not given, is the most convincing proof that the United States have not had the right which they claim. And if this observation is unanswerable, referring to the time when the aforesaid article 33 was in force, when it is applied either to the time when the right was on the side of Mexico, and the duty on that of the United States, or to the present circumstances, under which the aforesaid article is expressly abrogated, the same observation acquires a degree of evidence which is really incontrovertible. If it be considered, moreover, that article 21 of the treaty of February 22, 1848, corroborating the precept of the thirty-fourth article, stipulation 3, of that of 1831, expressly prohibits that, in case of difference or disagreement between the two governments, "recourse shall be had to reprisals, aggressions, or hostilities of any kind," until they have exhausted the peaceful and reasonable means spoken of, it will be clearly seen that what the United States have invoked as a right, taking upon themselves the duty which, in their judgment, Mexico cannot perform, is in reality but an evident violation of the treaties.

That so-called right, when viewed in the light of international law, appears no less groundless. The sovereignty of nations is incompatible with the arbitrary invasion of their territory by another power, and to admit the right which the United States pretend to have would be equivalent to acknowledging that every nation had the same right to invade the territory of its neighbor, without taking any trouble save to claim the necessity of so doing, and of pretending that the neighboring nation could not or would not fulfill its international duties. Such a right would become a constant menace to the sovereignty and independence of nations; it would be a denial of all the rules of justice which govern civilized nations. As soon as that right should be recognized, the independence of nations would be at the mercy of the caprice or audacity of the strongest.

Neither is the basis a true one on which the theory is founded which it has been sought to apply to Mexico, viz, its powerlessness to repress the incursions of thieves and Indians. A great deal might be said on this subject, consulting from their origin the history of the bloody Indian wars, assigning to them their historical cause, and narrating how, even under the compromise of article 11 of the Treaty of Guadalupe,

on account of the neglect of the American frontier, those Indians penetrated as far as the central states of the republic, which found it necessary to use its troops to repulse and drive them from its soil; recounting, finally, how during the war for secession the United States not only abandoned their frontier, but even the reservations of the Indians. All this would go to show that the United States have no ground for the charges which they prefer against Mexico; but, besides lengthening this note too much, this would seem to imply a desire on our part to enter into recriminations, whereas, seeking a settlement satisfactory to both nations, the Mexican Government is especially anxious to avoid anything of that kind. To show that Mexico has not been powerless in Indian warfare, it is sufficient to refer to the innumerable campaigns which she has carried on against them, and her constant persecution of those enemies of civilization; and not to speak of past times and occurrences, and only to show that she now has the power and the will to repress the incursions of Indians or cattle-thieves, two facts speak louder than any words, viz, the establishment of sufficient forces on the frontier to take care of it as it is possible under present circumstances, and the sending of a minister to Washington to propose suitable measures for the settlement of the pending difficulties.

It has been asserted on various occasions that the citizens of Mexico encourage and favor the crimes committed on the frontier, thus becoming the accomplices of the thieves and Indians; it has also been stated that the local Mexican authorities share in their complicity; and in these assertions, so insulting to the republic, a pretense has been made of finding justification for the invasions of Mexican territory which have taken place. There is still less ground for this reason than for those previously mentioned. Article 34, stipulation 2, of the treaty of 1831, copied in another part of this note, shows that these invasions are not lawful under such a pretext. And the entire extradition treaty of December 11, 1861, from its first to its last word, is the most complete demonstration that neither of the nations has consented to relinquish its territorial rights by permitting its territory to be invaded in the pursuit of marauders and for the recovery of stolen property; the invasions made upon this ground are shown to be unjustifiable according to the treaties, and it is unnecessary to demonstrate that they are likewise condemned by the law of nations.

The protestations which have repeatedly been made by American officers, to the effect that entrance into the territory of Mexico in order to pursue and punish criminals implies no hostility to the republic, satisfies neither the honor nor the rights of the latter. The act of invasion constitutes in itself an offense which aggravates the circumstance of exercising jurisdiction on a foreign soil against the will of its sovereign, and no manifestations of friendship are sufficient to change these facts, by representing them as lawful according to international law. These invasions, when forcible, are condemned by the law of nations, and Mexico can regard them but as offenses, however much it is protested that they are not so.

Moreover, the republic has suffered invasions, like that of April last, when the object was not to pursue, but to protect criminals, so that, as to such, not even these protestations are possible.

The foregoing cursory remarks as to the motives invoked by the United States to invade the territory of Mexico are sufficient to show the justice which is on the side of Mexico in opposing such invasions, and in regarding them as offenses. These remarks might be greatly lengthened with a view to increasing the force of the reasoning on which they are based, and of upholding the authority of the international principles which sustain that reasoning; that task, however, becomes useless from the moment when the United States Government accepts those principles, and supposing the views of both governments to be in harmony as regards them, all that could be said on this subject would be superfluous.

On the 7th of July last the minister of the United States, in pursuance of instructions from his government, presented a reclamation against Mexico, the ground of which was that the territory of the United States had been invaded by a Mexican force which had crossed the frontier in pursuit of a party under command of Pedro Valdez.

According to instructions received from the Department of State, that minister left at this department a copy of the note of the honorable Secretary of State to Mr. Foster, of the 21st of June previous, in which it is ordered that said reclamation be made. Mr. Evarts says, in the aforementioned note, that the entrance of Mexican troops into the territory of the United States is a violation of that territory, of which complaint must be made without loss of time; adding, "although it is not probable that that invasion was made by order of the Mexican Government, it is nevertheless a grave violation of international law, which should not be tolerated for a single moment," and concluding by instructing the minister to inform the Government of Mexico that "that of the United States confidently hopes that this act will be disavowed, reparation made for its consequences, and its perpetrators punished."

The present secretary of foreign relations, as soon as he had knowledge of the contents of these documents, replied, on the 9th of the same month, that "The Mexican Government, far from having given orders for the invasion of the territory of the

United States, had expressly prohibited it, as might be seen by his dispatch of June 12 to General Treviño; that knowing that international law prohibits the entrance of troops into foreign territory without the consent of its sovereign, and inasmuch as he had proclaimed and sustained this principle when Mexico was concerned, he could not ignore it when invoked by the Department of State;" and he added still more explicitly, that "the government accept, recognizes, and will cause to be upheld, so far as it is concerned, the principles invoked by the Hon. Mr. Evarts in his dispatch, and it will conform its conduct thereto, regarding the passage of troops to foreign territory as an unjustifiable invasion, and as one which is condemned by international law." He therefore promised to have the parties who were responsible for the invasion brought to trial, and to make all due reparation.

After these solemn declarations, made by the two governments, and in view of that conformity of opinions concerning the principles which govern the matter which is the subject of this note, it would be useless to undertake to demonstrate that the crossing of troops to a foreign country, without permission from its government, whatever may be the pretext invoked, is a grave and unjustifiable violation of international law, as Mr. Evarts says. And it would be necessary for sovereign nations not to be equal according to international law if the United States could even assert that the precepts of that law which they claim for themselves were not applicable to Mexico.

But Mexico, out of regard to her own dignity, will never consent to that, and the United States, out of regard to their own reputation for justice, will never claim it.

The explicit declarations of honorable Secretary Evarts with regard to those principles of international law leave no room for the pretexts under which the territory of Mexico has hitherto been invaded. Those principles having been once recognized and accepted by both governments, they must act in accordance with them, without appeal, if they are to observe a course of conduct contrary to motives which are, all things considered, but a denial of the aforesaid principles, and as Mexico has not hesitated for a moment to reprimand the perpetrators of an invasion of United States territory, having them brought to trial, and offering due reparation therefor, it cannot and should not be doubted that the United States will act in the same manner, in accordance with the principles laid down by Mr. Evarts.

When, in the same conference of July 7, the United States minister also left at this department a copy of the dispatch from the War Department, dated June 13, with its inclosures, from which documents it appears that the President of the United States restricted General Ord's discretionary power to invade Mexico, authorizing him to cross the frontier in grave cases only, the minister of foreign relations stated, in the conference of the 9th, to the representative of the neighboring republic, that the Mexican Government considered that restriction as a recognition of the rights of Mexico, but, he added, "important as it is, it is not sufficient to leave the autonomy of the republic intact, since the invasion of the territory of a friendly nation by foreign troops without the consent of its sovereign is always a violation of international law * * * * * that in the instructions lately communicated to General Ord, notwithstanding their limitations, the order to invade Mexico in 'grave cases' is still maintained, and the government of the republic thinks that exception is not authorized by the law of nations, and it therefore trusts, in view of the sense of justice of the United States, that the orders given to invade the republic will be entirely withdrawn."

The government must insist upon this, because even after the limitation of General Ord's instructions the last invasion of Lieutenant-Colonel Shafter took place, and because it is not aware that those instructions have been modified in such a manner as not to be offensive to the republic. The government presumes that the last invasion, which took place on the 29th of June, and was therefore subsequent to the dispatch sent by Mr. Evarts to Mr. Foster on the 21st of that month, was made without the consent of the Washington Cabinet, because otherwise the contradiction between the principles proclaimed in that dispatch by the honorable Secretary of State and the conduct of Lieutenant-Colonel Shafter would be inexplicable. And if the failure of the Washington Cabinet to reprove the conduct of General McKenzie in 1873 constituted, in the opinion of Governor Coke, a legal precedent which authorized the invasions of Mexico, the upholding of those instructions would be a menace to its sovereignty, and a denial of the principles of international law professed by the Department of State. The efforts of the government of the republic are designed to avoid this danger and the serious consequences which it might involve.

This government is performing a high duty in seeking, in the most sincere and earnest manner, to allay the differences which present themselves, and to preserve the state of peace and friendship which now exists between the two countries, using for this purpose peaceful representations and negotiations, and this with the greater reason, inasmuch as the Government of the United States has made a solemn profession of the principles which Mexico has been upholding in defense of her sovereignty, and in virtue of which she asks reparation for the offenses of which she complains. The Mexican Government appeals to the sentiments of justice of the Government and people of the United States, hoping that the rights of the republic will be recognized and respected.

Bring the contents of this note to the knowledge of the honorable Secretary of State, sending him a copy of it, and communicating to this department the reply which shall be received.

Accept the assurances of my attentive consideration.

VALLARTA.

To the Citizen CHARGÉ D'AFFAIRES

Ad interim of Mexico in the United States of America, Washington.

No. 37.

Mr. Seward to Señor de Cuellar.

DEPARTMENT OF STATE,

Washington, September 18, 1877.

SIR: I have the honor to acknowledge the receipt of your note of the 7th instant, accompanied by a communication from Mr. Vallarta, of Mexico.

In reply, I have to state that, although official relations have not yet been established with the authority represented by Mr. Vallarta, I take pleasure in saying that the whole subject to which your communication relates will receive due and careful consideration.

Be pleased to accept the assurance of my high consideration.

F. W. SEWARD,

Acting Secretary.

Señor DON JOSÉ T. DE CUELLAR, &c.

No. 38.

(Handed to Mr. Evarts by Señor Mata, October 6, 1877.)

Señor Vallarta to Señor Mata.

[Translation.]

MEXICAN REPUBLIC, MINISTRY OF FOREIGN RELATIONS, SECTION OF AMERICA, NO. 126.

Extradition of assaulters of the jail of Rio Grande City.

MEXICO, September 10, 1877.*

I have read to the President of the republic your note, number 87, dated the 23d of August last, in which reference is made to the interview which you had with the Assistant Secretary of State in regard to the assault on the jail of Rio Grande City.

The President has agreed to recommend that at the first opportunity you will notify the Government of the United States that the Government of Mexico has already given positive orders that all the offenders implicated in that act, who are asked for by the American authorities, shall be given up. You will inform the Secretary of State, in the clearest and most explicit manner, that in ordering the surrender of said offenders without being obligated to do so by treaties, when the giving up of the Mexicans is solicited, it has only been done on account of the

exceptional circumstances of the case, and in order to give incontrovertible proof of the firm and sincere wish which animates the present administration to put an end to the troubles on the frontier; but that this new surrender is not to serve as a foundation for the conduct of Mexico in all the cases which may happen hereafter, nor to be cited as a legal precedent, inasmuch as it has been an entirely voluntary act on the part of the government of the republic, to which it has not been obligated by treaties, but only moved to it by the considerations stated.

As in the note to which I am replying you signify that you entertain a doubt as to the existence in Mexico of laws to try and punish crimes committed in foreign territory, I deem it not amiss to refer you to articles 186 and 187 of the penal code, which treat of this matter.

I assure you of my particular esteem.

VALLARTA.

Citizen MINISTER Plenipotentiary of Mexico,
In the United States of America, Washington, D. C.

[Inclosure in No. 38.—Translation.]

ARTICLE 186.

Crimes committed in foreign territory by a Mexican against Mexicans, or against foreigners, or by a foreigner against Mexicans, can be punished in the republic and in conformity to its laws, if the following requisites concur:

1. That the accused is in the republic, either because he has come voluntarily, or because his extradition has been obtained.
2. That if the injured person should be a foreigner, there shall be complaint on the lawful side.
3. That the offender shall not have been tried definitively in the country in which the crime was committed; or that, if he was, he has not been acquitted, amnestied, or pardoned.
4. That the offense of which he is accused shall have the character of a crime in the country in which it was committed and in the republic.
5. That conformably to the laws of these he shall deserve a more serious penalty than that of imprisonment.

ARTICLE 187.

In the case of the preceding article, if an offender tried in a foreign country should make his escape, there shall be imposed on him in the republic the penalty which the laws of the latter prescribe, allowing him always for what he may have suffered of the penalty imposed on him in the foreign country.

CONSULAR.

No. 39.

Mr. Wilson to Mr. Hunter.

No. 274.]

CONSULATE OF THE UNITED STATES,
Matamoras, March 9, 1877. (Received March 19)

SIR: Referring to my telegram to the department of the 6th of July last, in which I requested that the military authorities at Fort Brown, Texas, might be authorized to interfere to protect lives and property in this city, in case Cortina, who was then menacing it with a considerable force, should make an attack, and in consideration of which telegram I presume that the United States gunboat Rio Bravo has remained moored

to the river-bank in front of this city since that time, I have now to state that as the force of Cortina has been disbanded, and Cortina himself is a prisoner under sentence of death, in the hands of the military authorities of this frontier, the further presence of the Rio Bravo at this place has perhaps ceased to be necessary.

As the expenses of that vessel are doubtless increased by being at a foreign port, I have to respectfully suggest that the public interests do not, in my opinion, require that the vessel should remain here longer, and perhaps interferes with the more general object for which it was sent to the Rio Grande, which I understand was to co-operate with the United States military force stationed on the Texas border in suppressing cattle-raids across the river.

I am, &c.,

THOMAS F. WILSON.

No. 40.

Mr. Schuchardt to Mr. Hunter.

No. 185.] COMMERCIAL AGENCY OF THE UNITED STATES,
Piedras Negras, Mexico, May 14, 1877. (Received May 24.)

SIR: I have the honor to state that this day (May 14) I have directed to you the following telegram:

This place is held at present by the rebels, (Diaz,) who have shown ever since hostility to our country, by openly protecting Indians and thieves depredating on the Texas frontier. I am informed that the rebel authorities will make a demand on the judge of the twenty-fourth judicial district, holding to-day court at Eagle Pass, for the extradition, on fictitious charges, of officials and others of the legitimate Government of Mexico, and at present refugees on the Texas side. The judge of the twenty-fourth judicial district, to-day, at Eagle Pass, on my explanations, stated that if these rebel authorities, which he recognizes as representatives of the government *de facto* of Mexico, would make the demand for extradition in due form, he was obliged, under the treaty, to extradite these men. As the extradition of these men to the rebel authorities will result in their death, and this section of the country will be in a few days in the possession of the legitimate Government of Mexico, I respectfully request, in the name of justice and humanity, that instructions be sent immediately to the judge of the twenty-fourth judicial district, now at Eagle Pass, to suspend the extradition of Mexican citizens now in the United States, demanded by the local rebel authorities at Piedras Negras.

Last week four Americans accused of various crimes committed in Texas were arrested here, their arrest being caused by the Texas State police, and their extradition to the United States under the treaty between the United States and Mexico demanded by the judge of the twenty-fourth judicial district of Texas, and to obtain the extradition of these American criminals the Texas authorities made promises to the Mexican authorities (Diaz) to gratify their wishes by turning over to them some Mexicans now on the Texas side the Mexican authorities would designate as criminals, if the demand was made in due form and the crimes these men were accused of came under those expressed in the treaty of extradition.

There are at present only Mexican citizens living as refugees in Eagle Pass, Tex., who had taken up arms in defense of the legitimate government, and to escape the continual persecutions by the Diaz officials have sought refuge in the United States. The real criminals formerly on the Texas side are all in the files of the Diaz party, at present in power here, one of them being an alcalde at Zaragoza, who gives passports to the Indians to raid in Texas, and another is a commandante who does the raiding to Texas himself. These kind of men are the masters of the

situation at present, who try to fix false charges on men a great deal better than they themselves for the purpose to get them in their power to have revenge to their gusto.

One of these refugees now on the Texas side was gefe politico and military commander of this district during the time it was held by the Lerdo administration, and in his official capacity he always showed himself in all respects friendly to the American people and their interest by making efforts to stop the depredations by thieves, and to effect this better he even allowed the American troops to pursue the Indians into their dens on the Mexican side, whilst the present gefe politico of the Diaz party protects these raids of thieves and Indians into Texas by allowing his alcalde to give passports to the Indians, and never prosecutes the thieves when they return with plunder from Texas, although notified of the fact. Whilst the gefe politico of the Lerdo administration consented to the crossing of the United States troops, the Diaz gefe politico's first act was to arrest the Mexican guides who had served the United States soldiers to find the dens of the murdering Indians in the Mexican mountains, on the charge of being traitors to their country.

When I was informed of the intention of the Diaz authorities to demand some of these refugees, adherents of President Lerdo, I went at once to the Hon. Thomas Paschal, judge of the twenty-fourth judicial district of Texas, to inform him of all the facts above stated in detail; but he stated to me that he had to recognize the Diaz officials at Piedras Negras as representatives of a *de facto* government, and was obliged to comply with their demand for extradition of Mexican citizens, if the papers were made out in due form and the crimes therein stated were comprised in the treaty; that he had no right to question the veracity of the charges made in the papers against the persons they would make a demand for.

This determination of Judge Paschal made me apprehend great danger for the lives of innocent men, and I thought it my duty to advise you immediately by sending the above telegram.

I am, sir, &c.,

WM. SCHUCHARDT,
United States Commercial Agent.

No. 41.

Mr. Weber to Mr. Hunter.

No. 14.]

CONSULATE OF THE UNITED STATES,
Monterey, Mexico, June 30, 1877. (Received July 23.)

SIR: Respectfully referring to my last dispatch, No. 13, dated June 27, I have the honor to inform you that General Geronimo Trevino yesterday returned to Monterey from his inspection tour of the Mexican Rio Grande line, between Laredo and Piedras Negras.

During an interview I had with him this morning, he emphatically expressed to me his feelings of vexation and disapprobation of the course lately pursued by the editor of the *Periodico Oficial*, in writing the editorial, No. 56, mentioned in my previous dispatch, offering me at the same time, as a proof of his sincerity, to have the editor dismissed at once.

General Trevino also manifested to me his great gratification about

the satisfactory meeting he had lately at Eagle-Pass, Texas, with General Ord, and he assured me that he felt confident that all pending border difficulties would be completely arranged amicably at an early period. He also informed me confidentially of his determination to have the remaining Indians removed from the frontier as soon as possible.

It seems he fully comprehends the urgent necessity of putting an end to the cattle-stealing on the Rio Grande.

I have, &c.,

JOHN WEBER,
United States Consul.

No. 42.

Mr. Schutz to Mr. Hunter.

No. 13.] UNITED STATES COMMERCIAL AGENCY,
Paso del Norte, Mexico, July 13, 1877. (Received July 31.)

SIR: I have the honor to report the following:

On Sunday evening, July 8, five Texas cattle-men and one Mexican, all armed with the latest improved carbines and pistols, crossed the Rio Grande, some three miles below the plaza of El Paso, and went into camp for the night, having first informed the mayor of El Paso of their presence and peaceful intention. About daybreak Monday morning they were all arrested by the authorities, and after being deprived of their horses and arms, were placed in jail, it being charged that they were filibusters, besides murderers and horse-thieves. Soon after their arrest I was applied to to assist them in procuring their release and restitution of their property; and after three days' hard labor, and none of the charges being proved against them, I succeeded in procuring their liberty and property, with the exception of the horse rode by the Mexican, and his arms, it being claimed that his horse was stolen from somebody in Mesilla, N. Mex., and it would therefore be held until the supposed true owner could be heard from.

Although I succeeded to restore these men to liberty, and to get all their property back, the authorities of El Paso politely informed me that, while all due respect would always be shown to American officials, they could not recognize my official authority until I had been duly acknowledged by their government, but that my success in this case was solely due to my personal influence and good standing with the citizens of El Paso, Mexico.

Since writing the above I have ascertained that the horse claimed to have been stolen, and which was retained by the Mexican authorities, belonged to a Don Juan José Durant, in Mesilla, N. Mex., from whom it had been stolen about two weeks ago.

I am, &c.,

SOL. SCHUTZ,
United States Commercial Agent.

MISCELLANEOUS.

No. 43.

Mr. Schleicher to the President.

WASHINGTON, D. C., May 7, 1877.

SIR: I have the honor to submit to you some of the samples of the correspondence daily received by me from my district, showing the state of things on the Mexican border. I have heretofore had the honor of submitting to you a report made by me as chairman of a special committee on this subject to the Forty-fourth Congress, giving an account of the raids on the Lower Rio Grande, between Laredo and Brownsville, from the end of the war until the date of the report. The evidence accompanying said report is very complete, and it also contains the diplomatic correspondence had for years with the Mexican Government on that subject.

About the time when the report was made there was a lull in the raids, caused by the fact that General Porfirio Diaz made up his revolutionary army on that border, and enlisted in it the great mass of that turbulent population. Since that time the raids have become more frequent again, and of late their chief theater is on the Upper Rio Grande, in the neighborhood of Eagle Pass, and in the country between San Antonio and the Rio Grande. The tribe of Indians known as Lipans and also the remnant of the Kickapoo Indians are settled in Mexico, and have in former times harassed our frontier country, until General Mackenzie, in command of the Fourth Regiment of Cavalry, pursued them into their settlements, killed a number of them, and secured for our frontier, in that quarter at least, several years of peace, during which the settlements increased and were very prosperous.

It seems that the effects of that punishment are now passed and forgotten, and the Indians are again engaged in raiding and robbing as a regular business. Now, however, a new feature appears in the raids. While they were always countenanced and assisted by the Mexicans, who are really the beneficiaries of their robberies, getting the stolen horses, mules, and cattle for a mere pittance from the Indians, it seems that now the Indians are commanded and employed by Mexicans and officials representing the authority of the Diaz government. This will appear from an extract of a letter of Mr. Schuchardt, an excellent gentleman living in Piedras Negras, whose statement I do not hesitate to vouch for. He gives the name of one Santos Garcia, belonging to the party now in power, alcalde (judge and mayor) of Zaragoza, as the official who gives passes to the Indians raiding into Texas, to be used by them on the Mexican side of the river.

I inclose extract from his letter, marked "A."

The Mexicans who direct the Indian raids always have their spies in Texas, who keep them well informed about the whereabouts of the troops. Thus they come in always unperceived, gather rapidly all the horses they can get, leaving the owners afoot and unable to pursue them, or to ride or send after help. By the time the raid is known they are on their way home, generally beyond pursuit. From this it follows that watching for them is almost useless, and that pursuit, if necessary into their dens, is the only efficient defense for our country.

The Diaz officials, and, indeed, the whole dominant party, exhibit

now an exceedingly hostile feeling to our people. General Escobedo, the military chief of Lerdo's party, has lately been in San Antonio and through Western Texas, and our resident Mexican population received him with much enthusiasm. The Spanish papers published in San Antonio took part for Lerdo, and the conclusion drawn from this by the friends of Diaz on the Mexican side is that our people and government favor Lerdo. This embitters them, while Lerdo's partisans in Mexico delight in fomenting quarrels between the Diaz men and the Americans.

For eleven years these raids, sometimes in one quarter sometimes in another, have been going on. Impunity has always had the effect of stimulating them and increasing their proportions. The only efficient check they ever received was when General Mackenzie followed and punished them. Our national diplomacy never seemed to consider the protection of our citizens of much consequence, and has always in that quarter at least borne insult and injury with singular equanimity. As to the action of Congress heretofore, I have myself made the humiliating experience that members opposed energetic steps in defense of our frontier for no better reason than that the administration might make political capital of the authority proposed to be given.

It seems that our people look to your administration with renewed hope. Their national pride has been long and deeply humiliated, while their property and lives were at the mercy of an enemy despicable in all but his power to harm them. They long for the day when the promise of protection implied by the sight of their nation's flag on the border will be more than a cruel mockery to them and an object of contempt and derision to our robber neighbors.

In conclusion, I may be permitted to say that on a frontier line separating us from a turbulent population, controlled by no government, but simply a conglomeration of robber villages, it becomes the duty as well as the right of our government to protect and defend our own people against invading robbers, and that all steps *incident and necessary* to an efficient defense are more than justifiable.

I have the honor to be, very respectfully, your obedient servant,
G. SCHLEICHER.

His Excellency RUTHERFORD B. HAYES,
President of the United States.

[Inclosure 1 in No. 43.]

[From the Galveston News.]

FROM SAN ANTONIO—INDIAN AND MEXICAN RAIDERS—WHAT WILL WE DO ABOUT IT?

[Correspondence of the News.]

SAN ANTONIO, April 28, 1877.

When we remember the number and wide extent of the settlements west of this city, is it not passing strange that a raiding party of thirty-five Indians, Mexicans, and bad, thieving white men can penetrate within 50 miles of this city, and steal all the horses nearly in the circle of their march and yet escape apparently "scot-free"? New Fountain, one of the settlements just raided, is only 18 miles west of Castroville, whence your correspondent has just returned. It is a most populous and prosperous neighborhood, resting immediately on the great highway between San Antonio, Fort Clark, Fort Duncan, and other important United States military posts.

Let us have more of Uncle Sam's cavalry out on this Western border. These Indians, Mexicans, and thieves come no doubt from west of the Rio Grande, and we need more patrollers to discover trails and strike them ere they strike the hardy, industrious settlers.

Thousands of families are scattered all through this fine country. But no man's life is safe, nor that of his family, so long as the present lack of protection to life and property exists. Let the powers that be put forth their strength and squelch it at once and forever.

If there is no other means by which we can protect our own people than through a protectorate over Mexico, then, in the name of all that is good, let us protect Mexico and ourselves too. Colonel Shafter reports the troops and the rangers as being after the Indians, who are said to be marching rapidly toward the Rio Grande in a south-west direction. But this is too much like the old story of locking the stable-door after the horse was stolen. With sufficient United States cavalry, performing constant patrol duty along the line of military posts, these raiders could never hope to invade Texas, rob, steal, and murder, and escape with their plunder and lives.

It is supposed that the raiders have in their possession over 300 head of stolen horses, taken from the adjoining settlements of Quibi, Hondo, New Fountain, and D'Hanis. This all within a range of fifty to sixty miles of this city, with its 20,000 inhabitants. Cannot President Hayes assert some respectable power to stop this invasion of the rights of American citizens? In the name and rights, yea, sacred rights, of American citizens, we demand to know what the Federal Government proposes to do about these continued raids from the other side of the Rio Grande? Should Congress meet in extra session, let the members from Texas press this question home to an answer.

A number of articles from San Antonio papers give particulars as to persons killed.

[Inclosure 2 in No. 43.]

[Telegram.]

FORT CLARK, TEX., April 24, 1877.

TO TAYLOR, A. A. G. D., Texas, San Antonio, Tex. :

The following dispatch received yesterday from Castroville: Party of thirty-five Indians and Mexicans raided through Quibi, Hondo, and New Fountain last night, carrying off two hundred head of horses. Trail moving southwest; crosses line eight miles below here. Immediately upon receipt of this dispatch Lieutenant Stephenson, with forty men, has been ordered to the Nueces, about sixty miles southeast of Duncan. Company B, Tenth Cavalry, is at Duncan, ready to start in any direction required. Orders were also sent to Lieutenant Van Vliet, in Frio Cañon, to go to D'Hanis, take the trail, and follow it. Rangers in Nueces Cañon and people at Frio City also notified. Three companies cavalry near here, one company at San Felipe, and Bullis, between mouth of Devil's River and Pecos, ready to start as soon as I can get definite information as to the point they are bearing for.

SHAFTER, Commanding.

Official :

T. W. TAYLOR.

[Inclosure 3 in No. 43.]

Letter from James Ware, district judge of the western district.

SAN ANTONIO, TEX., May 1, 1877.

HON. GUSTAVE SCHLEICHER, Washington, D. C. :

DEAR COLONEL: Having learned that your opinions upon frontier matters are respected by the present administration, and that your representations of occurrences are credited, I take the liberty to call your attention to the recent bold and disastrous raid made by a large body of Indians from Mexico through the counties of Kinney, Uvalde, Medina, Frio, Zavalla, and Maverick, passing out of Texas into Mexico with their captured property at a point between Eagle Pass and a village on the Mexican side called Villa Nueva, (or New Town,) having succeeded in getting together between 300 and 400 horses, and having committed some murders, how many I do not know; one man however was killed by them in the vicinity of Quibi, 9 miles from Castroville, and a boy, the son of a widow woman, on the Hondo, 12 miles from Castroville. We have not the details of the other murders.

In the pursuit by the citizens one of the Indians was killed and his body captured, placing the identity of the raiders beyond peradventure. This is the boldest raid that has been made in some three or four years, and the recently acquired confidence in the safety of that portion of the country through which they went, in Medina County, under the influence of which it was rapidly being settled, is destroyed.

This band of Indians numbered from forty to sixty. You will readily perceive how exceedingly difficult it would be to gather in our sparsely settled communities sufficient force of citizens to follow such a force, particularly when whole neighborhoods are left without a horse.

The only means of breaking these raids up is by breaking up their establishments beyond the Rio Grande. The local authorities of Mexico in the vicinity are certainly not disposed to do anything in the matter; and, whatever may be the disposition of their central government, I am afraid it is beyond their power to enforce any orders to restrain them and leave these Indians on that portion of the republic accessible to Texas. I can speak almost with a personal interest in this last raid, as, returning from Frio court, I barely missed them.

[Inclosure 4 in No. 43.]

Mr. Kearney to Mr. Schleicher.

GALVESTON, TEX., May 1, 1877.

DEAR SIR: I reached here this morning from San Antonio, and recently from the Rio Grande, where my sheep interest lies, and feeling that I have something more at stake than my bill for relief before Congress, which you so kindly promised to get through for me, permit me to call your attention for a moment to the present condition of the Rio Grande frontier. We are preyed upon daily by Mexican thieves, by American thieves, and by the various tribes of Indians, who rob us at their leisure and retreat across the Rio Grande, where they are as free from molestation by our troops or civil authorities as if neither power had an existence. Surely this is not protection; the system of pursuing raiders to the river and then stop is a farce and a mockery, so far as protection is concerned.

In a conversation I have just held with General Ord, the commanding general of this department, he deploras the condition of things on the frontier, and says that the only remedy is to hunt the thieves out of their dens of refuge in Mexico, and if the government would give permission for the troops to cross the Rio Grande for that purpose, he would put an end to these depredations in less than six months. It is a great mistake to suppose that the Army, or our frontier stock-men, desire war with Mexico, or a conquest of any portion of her territory. War would prove destruction to the interest of every stock man within a hundred miles of the Rio Grande, and I know the feeling of our gallant Army on the subject of war with Mexico, (I have conversed with many of its distinguished officers stationed on the frontier,) and that is to free the border from raiders of all classes; they feel a pride in accomplishing this, for they know that the country looks to them, and while we all know that not a sensible man among them desires war with our Mexican neighbor, they know unless they are allowed to follow the raiders to their final stronghold, their effort to exterminate or put an end to these vast depredations on our property will prove, as the present system has ever proved, a complete failure. It is a system under which foreign and domestic thieves flourish, and American stock-men daily perish; these are truths, and cannot be gainsaid, and it is time the government understood the matter.

We hold our lives and property at the mercy of raiders; the Army is powerless to give us protection or punish the thieves, simply because the government refuses to allow the troops to pursue the raiders across the Rio Grande.

In General Ord we have a vigilant and willing officer, in whose experience, prudence, and cool judgment in the discharge of his official duties the authorities at Washington are as fully aware of as we are here. If the government could be induced to give him discretionary power in this matter, we would soon have a border free from raiders and in thus doing, our peaceful relations with our neighbor, Mexico, would be undisturbed.

We of the frontier look to you, my dear sir, to induce the government to allow General Ord to employ the Army, on this frontier, as his judgment and prudence under the circumstances demand.

I remain, very respectfully, your obedient servant,

THOMAS KEARNEY.

P. S.—I inclose a telegram to General Ord, from Colonel Shafter, commanding Fort Duncan; also a letter published to-day in the Galveston News.

[Inclosure 5 in No. 43.]

A.

Extract from a letter from William Schuchardt, at Piedras Negras, written before the last raid.

A short time ago the Lipans, under the leadership of Juan Galan, on returning from a raid into Texas, broke through the fences of the village la Resurreccion, carrying with them a large drove of Texas horses. The people of the Resurreccion complained to the jefe politico, who sent an officer, Victor Perez, with twenty men to the Indians to inquire into the cause of their breaking the fences.

Juan Galan explained that they had been "muy apurados," (much pressed,) because the Americans were pursuing them. The officer expressed himself satisfied with this explanation; he had nothing to say about the Texas horses or the raids. There are always orders from the interior for "caballos, mulas frisonas"—American horses and mules—to be killed, and it is well known that the Indians can only fill them by raiding into Texas. (The Mexican horses and mules are much smaller.) Francisco Rios had an order to buy a lot of American mules for wheel-mules from the Indians by Santiago Cerna, who left the money for them with Rios.

The jefe politico continues in his hostile attitude toward us; the American ferry-boat on which the troops crossed to Piedras Negras is still tied up by his orders, and in retaliation his father's ferry is kept on the American side.

No. 44.

Governor Hubbard to Mr. Evarts.

EXECUTIVE OFFICE, STATE OF TEXAS,
Austin, October 10, 1877.

SIR: I desire through your department to advise the President of the recent action of the authorities of the Republic of Mexico in relation to certain demands made by me upon that government, under the existing treaty of extradition, for criminals committing offenses, designated in said treaty, in the State of Texas, and who had taken refuge in the border Mexican State of Tamaulipas.

To the end that the United States Government may have a full and just comprehension of the issues involved, and of the indignities which Texas has recently borne from the hands of Mexican citizens, including theft of our property, burglary, jail-breaking, release of indicted felons, assaults to murder, and actual accomplished murder of our people, I herewith have the honor to transmit the accompanying official correspondence between the executive of Texas and the Mexican authorities. This includes *all* correspondence especially relating to the reported outrages at Rio Grande City, and the rejected demands of the extradition commission for five murderers from Hidalgo and Duval Counties, duly indicted in the district courts of Texas, and who were fugitives from justice in Mexican territory.

An inspection of this official correspondence will show that on the 12th day of August, 1877, a band of Mexican outlaws crossed the Rio Grande River, opposite Rio Grande City, the county seat of Starr County, Texas, and by force and arms broke open the common jail of said county and released therefrom one Espronceda, indicted for theft of cattle, and one Segunda Garza, indicted for the crime of murder.

While perpetrating this outrage, the State's attorney, Hon. Noah Cox, was severely wounded, as also the deputy sheriff and his wife, all citizens of Texas.

These outlaws recrossed the Rio Grande with the released prisoners,

being pursued by a detachment of United States troops, under Major Price of the Regular Army.

Immediately upon being advised of this occurrence, I informed the President, and asked that the general government would join with me in making demand of the Republic of Mexico for the return of the released prisoners, and the delivery of the raiders, and reparation for the outrage committed. In answer to my telegram to the President, I received from the Secretary of State the gratifying assurance that my demand for the Mexican raiders and for the released felons was properly made under the existing treaty, and that our government would take immediate measures for the protection of American rights involved.

In pursuance of my orders, therefore, the Hon. John C. Russell, of Corpus Christi, judge of the twenty-fifth judicial district and *ex officio* extradition agent, made formal demand of the governor of Tamaulipas on the 23d day of August, 1877, for the extradition of the parties engaged in the jail-delivery and assault to murder, as well as for the felons released by them, giving their names, &c.; and the sheriff of Starr County was ordered to proceed with said demand to the city of Matamoras, where the governor of Tamaulipas then was, and deliver the same to that officer. After much needless delay and discussion about the proper construction of the treaty of extradition, as a reference to the official papers will show, the central government, (President Diaz,) through his accredited agent and member of his cabinet, (General Benavides,) ordered Governor Canales to have delivered to the Texas extradition agent (Judge Russell) the released prisoners and felons Espronceda and Garza, and also the raiders who liberated them and attempted to murder our citizens.

As the executive of a State having over five hundred miles of exposed border, with a shallow stream as the boundary-line between it and a people who cherished a traditional prejudice toward the American people, intensified by the Texas revolution for independence, and the international war of 1846, I instructed the extradition agents, representing this State under the special provisions of the treaty of December 11, 1861, to demand, first, the persons released, irrespective of nationality; because, having committed the crimes of theft and murder on Texas territory, within organized counties, and having been legally indicted by the grand juries of said counties, arrested by the high sheriffs under proper *capias* of the courts, lodged in jail, in default of bail, therefore the jurisdiction of the criminal courts of Texas had already attached, and the clause of the treaty excepting citizens of either country from the operation of its general provisions could not be invoked.

These prisoners were released by an unlawful mob, without the consent of this government, and the Republic of Mexico, should place them back, if within her power, in their original status, inside the jail of Rio Grande City.

The extradition agent also demanded, in an able and exhaustive paper, the delivery to the Texas authorities of the outlaws engaged in this affair, as an act of comity toward a neighboring and friendly republic.

In this demand the governor of Tamaulipas (General Canales) did not concur, nor did any one of the local civil or military authorities of Tamaulipas, and did refuse to become the instruments of extraditing any party charged with crime in Texas, fleeing to Mexico, and who claimed to be simply of Mexican origin.

General Benavides, however, representing the central government, concurred in the views of Judge Russell, that all the parties engaged in

this Rio Grande City outrage should be delivered over to the civil authorities, and it was so ordered. At midnight, on the 11th day of September, 1877, three of these parties were so delivered to the civil authorities at Brownsville, Tex.

Under my direction the commissioner reiterated his demand for the remaining murderer, (Garza,) and the confederates of the two raiders already delivered. Governor Canales and Passamento, judge of the first instance, in reply tauntingly informed the Texas and United States commissioner (Judge Russell) that, rather than comply with the orders of President Diaz, every civil officer of the border Mexican States, either had resigned or would resign, freely and frankly confessing, as this correspondence shows, that the excited public sentiment of the Mexican people would not allow any more extraditions of fugitives from Texas, of Mexican origin or blood, in any event. It has proven true in letter and spirit.

Troops of the regular army of the central Government of Mexico were ordered from Vera Cruz, and did proceed to Matamoras in the Mexican war-steamer Independencia, ostensibly to enforce obedience to the orders of said central government, and especially in the matter of the extradition of fugitives from justice demanded under the extradition treaty. These troops have not caused the arrest of any of the Rio Grande City outlaws, nor endeavored to arrest them; and instead of upholding their government have deserted its standard and affiliated with the revolutionary elements of Tamaulipas and the other border States, in their determination to hold the treaty at defiance for the future.

The latest and most significant illustration of this determination of the people of Mexico, is the turning loose in the streets of Matamoras of five criminals who committed murder in the counties of Hidalgo and Duval, in this State, who had been regularly indicted, and formally demanded under the extradition treaty.

I call your attention especially to the interview between the Alcalde José Ma. Villareal, and Sheriff Leo, of Hidalgo County, (as stated by latter in his report dated September 17, 1877, to Judge Russell,) who, bearing the demand of the United States extradition agent to said civil functionary, was refused an inspection even of the murderers (then in arrest) to ascertain their identity and make the necessary proof.

I also direct your attention to the declarations made by this officer, then having charge of extradition matters in Tamaulipas, that "We [Texas and United States] should be satisfied with those already delivered, and that no more fugitives should be returned," and that "if the Americans were smart they would get what Mexican prisoners they wanted in some other way."

The Hidalgo and Duval prisoners, who were indicted murderers and fugitives from Texas, were turned loose, without any issue of citizenship being mooted, even—much less, tried; but the very proposed identification of the criminals denied to the Texas authorities; and this done, too, be it remembered, in a city from which Canales had departed with his State troops!—done under the guns of the fort, and in the presence, *it was thought*, of over a thousand regulars from the central government!

I cannot fail to call the attention of the United States Government to the fact undisguised that Garza and the bandits who released him have been and are now in and around Camargo, in sight of the very spot on which they shot down innocent men and women and released murderers from the jail.

It is a fact likewise well known that Espronceda and the two others who were delivered, at midnight, opposite Matamoras, were friendless and homeless vagabonds, who, it appears, had depredated as much upon Mexican as upon American citizens; but Garza and the other outlaws are noted desperadoes and representative men of their class, perhaps owning ranches near Camargo and beyond, and have never been molested nor in danger of arrest by the Mexican military or civil authorities.

In the presence of these facts, and when advised that now and henceforth a demand for fugitives from justice would be to re-enact a solemn farce at the expense of the pride and dignity and honor of Texas, I directed that, until further orders, no more efforts should be made for extradition under a treaty ignored on the one part, but which has always been observed in earnest good faith toward the sister republic by the State of Texas and by the general government.

We have no assurance of peace and security along the Mexican border, nor have we had such security since the Mexican war and the annexation of the republic of Texas as a State to the American Union.

Aside from the general obligation imposed by the Federal Constitution upon this government to protect the exposed frontiers of Texas, along with the other States, the special stipulations of the treaty of annexation doubly imposed this duty upon the United States, because of her liability to Indian forays and Mexican invasions along a frontier of over many hundred miles in extent.

In obedience to this moral and legal obligation, the United States Government has established forts and posts, and has, since 1846, attempted to give protection to that frontier. The number of troops required, and especially of cavalry, has always been inadequate to the heavy task imposed upon the portion of the regular Army assigned to that duty.

The consequence has been that the State of Texas has suffered alike from depredations from predatory Mexican freebooters, as well as from hostile Indians, for thirty years; so much so that, prompted by the instincts of self-preservation and the cry which comes from the border unceasingly during all these years for protection, the legislature of my State has been forced to place their own militia in the field, at a cost of nearly two millions of dollars, since 1846 to the present time. While our sister States of California and Oregon, for similar expenditures in maintaining State troops to guard against Indians, have been repaid by our government, it has been the misfortune of Texas to have never yet received any recognition of the just claim upon a great and magnanimous government, and of which she forms no inconsiderable part. I will, I trust, be excused for this partial digression, because it is pertinent to the renewed appeal which I now make for the State of Texas to the government under which she lives, that we shall have material and complete protection on our Mexican frontier.

Our people are murdered, their property stolen, and, with but rare exceptions, our claims for redress are met with indifference, or our demands for fugitive thieves and murderers laughed to scorn from the opposite shore of a shallow river, and almost within sight of their victims. I cannot now recount this long catalogue. I beg, however, to have considered in this connection the exhaustive report upon "Texas Frontier Troubles" of the special committee of the Forty-fourth Congress, consisting of Hon. Messrs. Schleicher, Williams, Banks, Hurlbut, and Lamar, as a part of this memorial.

In that most able and comprehensive report the wrongs which Texas has suffered from Mexico, unredressed, are recounted with a faithful and

true hand, and it constitutes a chapter in our history which I pray God may never again be written.

I beg, also, to refer you to the joint resolutions of every legislature of Texas since 1846, asking for more adequate protection, and to the annual messages of my honored predecessors in the executive office, each and all of them filled with evidence of bad faith and hostility of our Mexican neighbors toward the Texas people.

In a spirit of comity and obedience to law we have observed all treaties, and endeavored to cultivate friendly relations. At any time the State government of Texas, in the last quarter of a century, might have precipitated a war with Mexico. The actual indignities and losses of property and life which we have suffered, taken in connection with the traditional prejudices of the two peoples, surely afforded ample and frequent pretexts for invasions of their territory and war upon their people. I appeal to the history of Texas if in any instance, since she has been a State of this Union, she has ever violated any international law, broken any treaty, or invaded the territory of that republic.

Texas, speaking for herself alone, desires no war of conquest, but finds it alike her interest, as it would be her pleasure, to foster peace and friendly commercial relations with Mexico. In the recent causes of complaint to which I call your attention, I have patiently exhausted every legal and peaceful remedy. I recognized among nations, as among individuals, that it is magnanimous to respect a shattered and decaying state, and that it is only the coward and the tyrant who make conquests of the weak because they have the power.

All Texas desires is that Mexico be required to observe her treaty stipulations; and failing, as she has done and now does, that the General Government, to which we look for protection, shall demand redress and reparation for the property and the blood of our people sacrificed at their hands.

I have the honor to be, with high respect, your obedient servant,
R. B. HUBBARD,
Governor of Texas.

Hon. W. M. EVARTS,
Secretary of State, Washington, D. C.

[Inclosure in No. 44.]

MEXICAN TROUBLES.

Copies of certain documents relating to the outrage at Rio Grande City, Starr County, Texas, on 12th August, 1877, &c., on file in the executive office, State of Texas.

[Telegram.]

SAN ANTONIO, August 12, 1877.

To Governor HUBBARD,
 Austin, Texas:

The following just received:

"RINGGOLD BARRACKS, August 12, 1877.

"Between 1 and 2 o'clock this a. m. an armed band of from ten to fifteen men crossed from the Mexican side into Rio Grande City, attacked the jail, and released two notorious criminals, murderers, and horse thieves, wounding the county attorney, Noah Cox, and three jailers severely. As soon as notification reached me, I sent Lieutenant Fountain, with twenty-five men, in pursuit, and followed at daylight with the balance of my mounted command. The river was carefully followed, and they were found to have crossed to the Mexican side at a point near the rancherías, seven miles above here, about one hour before Fountain's party reached there. Two of the parties were recognized as desperadoes who make their headquarters in Camargo.

H. Ex. 13—6

"I have called upon the military and civil authorities of Camargo and Mier, in conjunction with civil authorities here, for the apprehension and delivery of these outlaws. I think this high-handed outrage should be immediately followed up by a demand on their government for their surrender. Am ready with one hundred men and two Gatling guns.

"PRICE."

This is written for you to act on.

ORD, *Brigadier-General.*

[Telegram.]

EXECUTIVE OFFICE, STATE OF TEXAS,
Austin, August 13, 1877.

General E. O. C. ORD,
San Antonio:

Received your dispatch last night. I forwarded by wire to your care demand on authorities of Tamaulipas. Please convey it by wire or otherwise, as you like. I place subject to your order all State troops on Rio Grande frontier, and will call out militia if necessary. This outrage, I trust, will be followed up sharply and vigorously.

The State will second your motion.

R. B. HUBBARD,
Governor.

[Telegram.]

EXECUTIVE OFFICE, STATE OF TEXAS,
Austin, August 13, 1877.

To the governor or chief civil authority of Tamaulipas, or chief military authority thereof, Republic of Mexico:

I am officially advised through Brigadier-General Ord, commanding Department of Texas, that, on the 12th instant, a number of men crossed the Rio Grande River to Rio Grande City, in Starr County, in the State of Texas, and did unlawfully break open the county jail thereof, release two murderers and desperadoes confined therein, wounding the county attorney, Hon. N. Cox, and three jailors severely.

If any of these jail-breakers be not citizens of Mexico, I demand, under the extradition treaty, on proper proof, that they be delivered over to the civil authorities of Starr County, to the sheriff or other legal officer, for trial; also that the rescued prisoners be returned.

This demand will be forwarded through General Ord, who will at my request see to its execution through the proper official channels.

R. B. HUBBARD,
Governor.

[Telegram.]

EXECUTIVE OFFICE, STATE OF TEXAS,
Austin, August 13, 1877.

His Excellency RUTHERFORD B. HAYES,
President of the United States, Washington, D. C.:

SIR: I am advised by Brigadier-General Ord, commanding Department of Texas, that on 12th instant a party of Mexicans from the State of Tamaulipas crossed the Rio Grande River to Rio Grande City, the county seat of Starr County, Texas, bordering on said river, broke open the jail by force and arms, released two murderers therein confined, and in so doing severely wounded the State's attorney, Hon. Noah Cox, and three jailors, and one woman.

These marauders were followed by a small party of United States troops until they recrossed the Rio Grande into Mexico. Under the extradition treaty in force, I am vested with authority to demand extradition of such criminals from any neighboring Mexican State. I propose to make this demand, but desire co-operation by a simultaneous demand from the President.

It is an outrageous violation of our treaty relations and of international law. I therefore, in behalf of our people and of my State, have the honor to make this request, and that the Republic of Mexico make reparation for this act, deliver the murderers released to our civil authorities, and inflict punishment on the outlaws who committed the outrage.

R. B. HUBBARD,
Governor of Texas.

[Telegram.]

SAN ANTONIO, August 13, 1877.

Governor HUBBARD, *Austin* :

I reported the raid on the jail to the Adjutant-General, Washington. Doubtless President has received it. I have directed the commanders on lower river to furnish you and Commissioner Russell, of Corpus Christi, with all the evidences they may get. Think the President will suggest that you, as commissioners under the treaty, make demand for extradition in due form of the offenders. Perhaps better be done through civil functionaries, and if that fails he can call on central government. I think the Mexican Government or commissioners will use diligence.

ORD, *Brigadier-General.*

[Telegram.]

WASHINGTON, D. C., August 14, 1877.

His Excellency R. B. HUBBARD,
Governor of Texas, Austin :

The President directs me to acknowledge receipt of your dispatch of the 13th instant. Your proposed demand for extradition is in accordance with treaty stipulation. Measures for protection and maintenance of American rights involved will be immediately taken here.

F. W. SEWARD,
Acting Secretary of State.

[Telegram.]

SAN ANTONIO, August 15, 1877.

Governor HUBBARD, *Austin* :

Have directed Colonel Price, commander at Ringgold, to communicate details and evidence to you and Judge Russell. He telegraphed letters would be sent both to-day. The bad element prevails in Mexico, in that vicinity, and quiet people afraid of it. About same on this side, where nine-tenths voters are Spanish-speaking. Many free-booters among them, too.

ORD,
Brigadier-General.

[Telegram.]

RIIO GRANDE CITY, TEX., August 15, 1877.

His excellency the GOVERNOR of the State of Texas, *Austin* :

Sir: I have the honor to report that on the 12th instant, between 1 and 2 o'clock in the morning, a most daring outrage was perpetrated here. The county jail was attacked by an organized band of Mexicans from Mexico, about fifteen or twenty strong, and two criminals liberated, one being the notorious Segundo Garza, confined on a charge of murder, and the other confined on a charge of bringing stolen property into the State.

The attacking party easily overpowered the jailor and his guard, and carried off the criminals above named. They had, previous to making the attack, stationed sentinels in the vicinity to prevent an alarm being given, and when the jailor attempted to reach my house, he was shot down and dangerously, if not mortally, wounded. The county attorney, Mr. Noah Cox, who was sleeping near the jail was aroused by the noise, and coming out on his balcony was shot by one of the party, receiving, it is thought, a mortal wound. The guard was severely wounded, and the wife of the jailor also received a severe wound with a machete. Owing to the proximity of the river, the band easily made their escape, crossing over into Mexico, from whence they came.

The deputy sheriff, with a detachment of United States troops kindly furnished by Major Price, pursued them as soon as possible, but could not overtake them. From positive information I can say that this band came fully prepared with tools to break my jail and liberate the prisoners. They were trailed back to the river, and the evidence is positive that they crossed in the vicinity of Camargo. The leader was one Rafael Garza, well known on both sides of the river, and another was identified as a former prisoner who escaped from this jail.

Colonel Price, commanding Ringgold Barracks, and the deputy sheriff visited the authorities of Camargo, Mexico, and requested their assistance in arresting the perpetrators of this daring outrage. Colonel Price also addressed a communication to the commander of Mexican military forces at Mier, Mexico. Far from arresting the guilty parties, Mexican troops have been moved into Camargo by forced marches and volunteers formed with the avowed intention of repelling any attempt to arrest the said band by the authorities or troops from this side.

The utmost excitement prevails now upon the border, and a feeling of insecurity for life and property is felt by all. I consider it my duty to lay this statement of facts before you for your consideration, assuring you that in nothing is it exaggerated. The parties who are known as having been engaged in this affair are Rafael Garza, Zeferino Juarez, Pablon, Brigido Ollivarez, Segundo Garza, Rudolfo Esproncedo, and others.

Please send requisition for above-named parties, as they are known to be at present in Camargo and its vicinity. j

Respectfully,

P. MARCELLI,
Sheriff Starr County, Texas.

[Telegram.]

MATAMORAS, MEXICO, August 15, 1877.

General ORD:

The citizen general Geronimo Treviño, of date of yesterday, from Cadneyta, directs me to transmit to you the following telegram, which was deposited in Cadeueyta on the 14th August, 1877, and received at Matamoras the same day, at 5.55 p. m.

"To General CANALES:

"Be kind enough to transmit General Ord the following:

"GENERAL: By your telegram, dated yesterday, I am informed that the prison at Rio Grande City was carried by assault by bandits; that according to your idea they are Mexicans, or persons resident in this country. With this object you will permit me to observe that I do not think it probable that people have passed from Mexico to commit this crime, because in Rio Grande City there is an infinity of persons of different nationalities, and I do not think it just that the authorities of Tamaulipas should be inculped for assaults perpetrated in another country, even if by Mexicans, or persons of another nationality. I have told you that the government of my country will use such means as she has at hand to give protection to the residents in Mexican territory, but it will not be possible to take care and also to insure the same security to the pueblos of foreign territory.

"General Canales and the civil authorities of Tamaulipas have taken energetic measures to arrest the offenders who made the assault on Rio Grande City. Notice has been received of the crossing of said bandits into Mexico, with the object of escaping. For this reason I have communicated with General Canales, and I again repeat to you that no measures will be omitted to correct these abuses within the jurisdictional limits, but that acts for which the criminal alone is responsible should not furnish a just cause of complaint against Mexico, when the crimes are committed beyond the reach of Mexican authorities.

"GERONIMO TREVIÑO."

This is transmitted for your information, in compliance with orders received from General Treviño.

SERVANDO CANALES.

Official copy respectfully furnished for the information of the governor of Texas.
Austin, Tex., August 16, 1877.

E. O. C. ORD,
Brigadier-General Commanding.

[Telegram.]

EXECUTIVE OFFICE, STATE OF TEXAS,
*Austin, August 15, 1877.*To P. MARCELLI,
Sheriff of Starr County, Rio Grande City, Texas :

Your dispatch received. Have ordered Judge Russell, extradition agent at Corpus Christi, to make demand and formal requisition for the parties who were released from your jail. Have ordered State troops to proceed at once to your county, to assist civil authorities and protect our citizens, and to be on hand for any emergency.

Communicate by wire to Judge Russell, at Corpus Christi, the names of the prisoners released, and all those engaged in the outrage—who are recognized as not being citizens of Mexico—to be extradited. The President of the United States has assured me that he will at once see that my demand will be enforced.

R. B. HUBBARD,
Governor.

[Telegram.]

EXECUTIVE OFFICE, STATE OF TEXAS,
*Austin, August 15, 1877.*To Judge J. C. RUSSELL,
Corpus Christi, Tex. :

Have requested P. Marcelli, sheriff of Starr County, to furnish, at once, names of parties released from Rio Grande jail, and the names of such other marauders engaged in this outrage, who are not known to be citizens of Mexico.

I desire you to take prompt action in this matter. Have ordered State troops to Rio Grande City, and General Ord and Colonel Price will communicate with you.

R. B. HUBBARD,
Governor.

[Telegram.]

SAN ANTONIO, *August 16, 1877.*Governor HUBBARD,
Austin, Tex. :

General Benavides has offered \$2,000 for escaped prisoners and is making every exertion to capture them. Why not add something? General Steele's telegram this date received, all right.

ORD,
Brigadier-General.

[Telegram.]

EXECUTIVE OFFICE, STATE OF TEXAS,
*Austin, August 17, 1877.*General ORD,
San Antonio, Tex. :

Yours yesterday received. It is well for Mexico to offer rewards. I have to pay the expenses of extraditing our own fugitives from justice, but can't pay for catching the Mexicans. Diaz or some other President must foot that bill.

They won't arrest any of the great criminals or leading raiders, and then we will see what course our own government will pursue.

R. B. HUBBARD,
*Governor.*CORPUS CHRISTI, TEX.,
August 17, A. D. 1877.

SIR: I have this day mailed to P. Marcelli, sheriff of Starr County, a demand upon the proper civil authorities of the State of Tamaulipas, Mexico, for the extradition of the following-named persons—the two first named being the parties released from the jail of Starr County; the others being parties engaged with others in their release, to wit: Segundo Garza, Rudolfo Esproncedo, Brigido Ollivarez, Zeferino Juarez, Rafael

Garza, Pedro Rodriguez, Blanco Pablon, and ——— Obispo. I also forwarded instructions to said Marcelli to present said demand at once before the proper civil authorities, with the proper evidence of the accusations against the above-named parties.

Very respectfully,

JOHN C. RUSSELL,
Extradition Agent and Commissioner.

His excellency R. B. HUBBARD,
Austin, Tex.

[Telegram.]

SAN ANTONIO, August 21, 1877.

Governor HUBBARD,
Austin Tex.:

The following just received:

"FORT BROWN, August 18, 1877.

"The names of the raiders reported from Texas are reported by Colonel Estrada, commanding at Camargo, to be Rafael Treviño, of Rio Grande City, and Gregorio Garza, who lives at Barreras Ranch, Texas."

"FORT BROWN, August 21, 1877.

"On the 17th Rudol'fo Espronceda, one of the escaped prisoners, was caught in Guerrero. General Benavides says the other prisoner will surely be caught. His whereabouts are known. Nine soldiers were lost in pursuit by sun-stroke.

Signed, "Sweetzer."

ORD,
Brigadier-General.

[Telegram.]

RIO GRANDE CITY, TEX.,
August 22, 1877.

Gov. R. B. HUBBARD,
Austin, Tex.:

I have the honor to report my arrival here yesterday. The Mexican authorities have arrested two of the liberators and one of the prisoners rescued from the jail at this place and removed them to Matamoras, for what purpose is unknown. Four other of the raiders are known to be in the immediate vicinity of Camargo, whom they have not endeavored to arrest. Have forwarded Judge Russell all the names of those engaged in the raid who were American citizens, and will demand the parties on the arrival of the requisition.

The Mexican authorities are concentrating troops at Camargo, with the evident intention of protecting rather than delivering them to the authorities on this side, and act as if they thought all excitement or disposition to secure these raiders had subsided, and that the United States and State authorities are not in earnest in their demands.

United States authorities will assist us, if necessary.

J. L. HALL,
Lieutenant Commanding State Troops.

UNITED STATES OF AMERICA,
State of Texas, county of Cameron:

To His Excellency SERVANDO CANALES,
Governor of the State of Tamaulipas, Mex.:

SIR: I have the honor to call your attention to the fact that during the night of 11th August, 1877, a band of marauders attacked the county jail in Rio Grande City, Starr County, in this State, releasing therefrom Segundo Garza, confined therein on a charge of murder, and Rudolfo Espronceda, confined on a charge of horse-stealing; and the said bands shot and seriously wounded Noah Cox, esq., the county attorney of said county, as well as the jailer. The said parties, so far as known, are, to wit, Rafael Garza, Gregorio Garza, Seferino Juarez, Rafael Treviño, Pedro Rodriguez, Brigido Olivares, Pablo Parra, and one Obispo, who, after committing the said assault upon the person of Mr. Cox and the jailer, took refuge in the Republic of Mexico, crossing the Rio Grande River a few miles above Rio Grande City.

Now, by virtue of the authority vested in me by the governor of the State of Texas, under the treaty of December 11, 1861, between the United States and the Mexican Republic, for the extradition of criminals, I ask and require that the said parties, to wit, Rafael Garza, Gregorio Garza, Seferino Juarez, Rafael Treviño, Pedro Rodriguez, Brigido Olivares, Pablo Parra, and one Obispo, be delivered to me to answer the charges of burglary and assault with intent to murder, and that the said Segundo Garza and Rodolfo Espronceda, so forcibly taken from jail as aforesaid, and carried into Mexico, be delivered to me to answer the respective charges against them, to wit, murder against Garza, and horse-stealing against Espronceda.

I have the honor to be, your obedient servant,

JOHN C. RUSSELL,

Judge Twenty-fifth Judicial District, Texas.

BROWNSVILLE, TEX., August 23, 1877.

MILITARY LINE OF THE STATES OF TAMAULIPAS, SAN LUIS POTOSI, AND H. VERA CRUZ—GENERAL IN CHIEF.

SIR: I have had the honor of receiving your communication dated day before yesterday, in which my attention is called to the deed perpetrated on the night of the 11th instant, by a band of highwaymen, who surprised the jail of Starr County, in Rio Grande City, and liberated Segundo Garza, guilty of homicide, and one Rodolfo Espronceda, accused of theft of cattle; said band shooting off their arms and seriously wounding Mr. Noah Cox, county judge, and the jailer. You also inform me that the band was composed of Rafael Garza, Gregorio Garza, Seferino Juarez, Rafael Treviño, Pedro Rodriguez, Brigido Olivares, Pablo Parra, and one Obispo, who, after committing this assault, took refuge in this territory, crossing the river Bravo, a few miles above Rio Grande City.

In reply to your attentive note I will state that I am not the governor of the State of Tamaulipas, in whose character you address me, but a Mexican general in command of the army on this frontier, to guard public order, to see that good and cordial relations are maintained with the United States, our neighbors, procuring, among other things, security and rights to all the inhabitants of the Mexican side of the Bravo. To that effect I have reported your requisition to the Supreme Government of the Republic and the governor of Tamaulipas, who substitutes me, residing at C. Victoria; but as I am animated by the best wishes to make known the good disposition on the part of the Mexican authorities for the apprehension and punishment of the criminals on our frontier, I take the liberty to inclose you a few printed slips, containing various official telegrams relating to this affair, by which you will become acquainted with the efficacious and energetic measures which have been taken for the apprehension and punishment of the Rio Grande City criminals, some of whom are already incarcerated in the jail of this city, as a part satisfaction for the outrage which they have committed, and as an evident proof of the persecution instituted against them.

The authority to whom corresponds the knowledge of this affair, in conformity with the laws of this country, has in its power the prisoners, and it will, without any doubt, determine, in accordance with the extradition-treaty in force between the two republics, if they ought to be delivered. At the same time, the examination which is now being carried on will tend to discover the traces or whereabouts of those who have not yet been captured by the troop assigned to perform that duty.

In concluding this note, it comes with pain to my notice that the authorities of Tamaulipas are accused of bad faith in a disagreeable incident, in which they have not only displayed all their activity and energy.

In compliance with my duty, and in just vindication of the authorities accused, you will permit me to protest, as I now do, against so gratuitous a charge. In doing so I ground myself on the facts which I have stated in the course of this communication.

I avail myself of this occasion to offer myself as your attentive and obedient servant. Liberty and constitution.

H. Matamoras, August 25, 1877.

SERVANDO CANALES.

M. JOHN C. RUSSELL,

Extradition Agent, &c., of Cameron County, Texas, United States, Brownsville.

BROWNSVILLE, TEX., August 27, 1877.

General SERVANDO CANALES,

Commanding State of Tamaulipas, &c., Matamoras, Mexico:

SIR: I have the honor to acknowledge the receipt of your communication of the 25th instant, with an inclosure, in answer to my demand made on you as governor of Tamaulipas, under the extradition-treaty between the two countries for the surrender of the criminals who fled to Mexico after attacking the county jail at Rio Grande City,

Tex., on the night of the 11th instant, wounding the county attorney, Mr. Noah Cox, and the jailer, and rescuing two prisoners therefrom, whose return to our authorities I also demanded.

I notice that you disclaim being the governor of the State of Tamaulipas, alleging that you are simply a general of Mexico, in command of the troops on this frontier, and charged with the preservation of public order, and the maintenance of good and cordial relations with the United States; and that, therefore, you reported my requisition to the Supreme Government of Mexico, and to the governor of Tamaulipas, residing in the city of Victoria. You also state that, being prompted by the best wishes to prove the good disposition of the Mexican authorities toward the capture and punishment of the criminals who marched on our frontier, you enclose me the printed slips containing the official telegrams relating to the affairs at Rio Grande City, by which I could learn the efficient and energetic measures taken to arrest and punish the criminals, some of whom have been captured, and are now in the jail of your city. You further state that the prisoners are so held and subject to the proper authority of your country to whom such matters correspond, who doubtless will determine if, according to the extradition-treaty between the two republics, they shall be delivered over.

You conclude by regretting that the authorities of Tamaulipas are charged with bad faith in this disagreeable incident, and that, in compliance with your duty, you protest against so gratuitous and baseless an accusation.

In replying to your communication, I have the honor to say that, under the fourth article of the extradition-treaty, I made the requisition on you, as the chief civil authority of Tamaulipas, because I was informed that you had been constitutionally elected governor of the State at the last elections, and duly installed as such, and that though by leave of the legislature you had assumed the command of the federal forces on this line, and a substitute was temporarily acting in your place, still you were the recognized and real governor, so far as our government was concerned in its international relations with your country. On this ground I addressed my demand to you, assuming that unless you had formally resigned the office of governor you continued in that *de jure* character, notwithstanding that *de facto* you were under a leave of absence, and that, for the purposes of the international treaty of extradition, you were embraced in the denomination of the chief civil authority of your State.

I regret exceedingly, in a matter of such grave importance and requiring the promptest action to serve as a swift example to the outlaws who infest our border, that the dilatory action of simply reporting the fact of my demand to the authorities at the remote cities of Mexico and Victoria should have seemed to you the proper method of meeting my requisition, and particularly so when among the dispatches printed in the sheet you did me the honor to inclose in your communication I find one direct from the minister of war, dated at Mexico, August 14, to your subordinate officer at Mier—Col. Francisco Estrada—commanding him, by order from the President of the republic, to place the prisoners when captured at the disposition of the American authorities who may claim them, observing in relation thereto the treaty stipulations for the extradition of criminals. This energetic and speedy direction of the supreme government, given to the military authority on the frontier, I respectfully submit, might well be construed to empower the commander-in-chief of the line to act in a matter, when his inferior officer was so authorized.

It is a subject of proper congratulation that the Mexican authorities have succeeded in capturing several of the criminals who committed the bloody outrage at Rio Grande City, and I respectfully suggest that their delivery should be accompanied with as little of any hampering or technical difficulty as possible, and I therefore regret that you did not inform me who the authority was to whom you alluded as holding the prisoners in jail and who would determine whether they should be delivered under the treaty, so that I might at once have addressed him, and that you did not report or refer my demand to him immediately instead of remitting the matter to the distant capitals named by you. I beg to assure you of the increased sense of satisfaction with which the repeated protestations of good wishes in the prompt punishment of the malefactors, which you so earnestly express, would have been received, if complied with immediate steps taken with the local extradition agents for their rendition, in the event of your own disqualification to act in that capacity.

By reading the printed sheet inclosed in your communication, I am informed that the federal judge of Matamoras, Mr. Juan N. Margain, held the captured prisoners subject to his jurisdiction on the 22d instant, and I would now forward a requisition to him were it not that grave doubts as to his competency to act as extradition agent, under the terms of the fourth article of the treaty, have arisen in my mind. Hence, having no other resource left, I have this day addressed a demand on the judge of the first instance, although without positive knowledge that he has been duly authorized to carry out the treaty by whomsoever may be the governor of Tamaulipas.

I trust that my success in finally reaching the proper and competent authority in this urgent matter may correspond to my wishes and to the charge you inform me has

been given you by your government to maintain friendly relations between the two republics.

I again reiterate my sincere regret that I have felt it my duty to call your attention to the facts mentioned, and beg to subscribe myself, with the assurance of my consideration and esteem,

Your most obedient servant,

JOHN C. RUSSELL,
Extradition Agent and Commissioner.

BROWNSVILLE, TEX., August 29, A. D. 1877.

His Excellency R. B. HUBBARD, *Austin, Tex.:*

SIR: On my arrival here I made a demand on Governor Servando Canales, of Tamaulipas, who is now in the city of Matamoras, for a return of the armed men who engaged in breaking the county jail of Starr County, to the civil authorities of that county, a copy of which demand I herewith inclose, also the reply of General Canales to that demand, as well as a copy of the reply I felt it my duty to make to him.

As General Canales disclaims any authority to deliver the parties complained of under the treaty, I made another demand upon Don Carlos Passamante, Judge of the first instance, who, I have been informed, has been duly appointed by the chief civil authority of Tamaulipas as extradition agent under the treaty of December 11, 1861, and is charged with the execution of its provisions—a copy of which last demand I also inclose. I also had a call from General Benivides to-day, and I inclose the substance of our interview.

It occurs to me that delay is regarded by the Mexican authorities of importance in the adjustment of this matter, but for what reason they should seek it I cannot conceive, unless it is to wear the matter threadbare and cast it aside as an old garment.

Three of the armed men engaged in the outrage at Rio Grande City on the 11th instant have been arrested by the military authorities, and are now held in custody, and have been held several days, in the city of Matamoras.

My first demand, made at Corpus Christi, has not been heard from, nor has my third demand, but I was informed by General Benevides that it would be answered this evening, or in the morning. I have pressed this matter with all the vigor circumstances would admit, and shall continue to do so until a result is reached.

With much respect, I am your excellency's obedient servant,

JOHN C. RUSSELL,
Extradition Agent and Commissioner.

THE UNITED STATES OF AMERICA,
The State of Texas, County of Cameron :

To the Hon. CARLOS PASSEMENTO,
Commissioner of Extradition, Matamoras, Mexico :

SIR: Information having been received from official sources that on the 12th instant a number of armed men crossed the Rio Grande River to Rio Grande City, in Starr County, and the State of Texas, and did unlawfully, with force and arms, break open the county jail of said Starr County, and release two persons confined for high crimes against the laws of said State, to wit, Segundo Garza, charged with the crime of murder, and Rndolfo Espronceda, of the crime of larceny of property of more than \$25 in value. The said armed men, at the time of releasing said prisoners, shot and dangerously wounded Noah Cox, esq., county attorney of said Starr County, and the jailer. The following-named persons were engaged in breaking the jail and shooting said Noah Cox and the said jailer, and each now stands charged with the crime of burglary and assault with intent to murder, to wit, Rafael Garza, Gregorio Garza, Seferino Juarez, Rafael Trevino, Pedro Rodriguez, — Pablon, — Obispo, Brigido Olivares, and Pablo Parra. All of the above-named criminals are fugitives from justice, and are believed to be in the State of Tamaulipas, Mexico.

Now, therefore, in the name of the United States of America, by virtue of the power and authority vested in me by the governor of the said State of Texas, as extradition agent and commissioner duly appointed under the provisions of the treaty concluded December 11, 1861, for the extradition of criminals, now in force between the United States of America and the republic of Mexico, I demand and require that the jail-breakers, charged with the double crime of burglary and assault with intent to murder, on proper proof being made, be delivered to the proper civil authorities of said Starr County for trial and punishment.

I also demand and require that said rescued prisoners, to wit, Segundo Garza and Rudolfo Espronceda, be returned to the sheriff of Starr County, to be respectively dealt with according to law.

With great respect, I have the honor to be, your obedient servant,

JOHN C. RUSSELL,

Extradition Agent and Commissioner.

BROWNSVILLE, TEX., August 27, 1877.

Substance of an interview between General Benavides and myself, as extradition agent and commissioner, August 29, 1877.

I had a call from General Benavides, (accompanied by Mr. Suzeneau,) who informed me that three of the prisoners who committed the outrage at Rio Grande City had been captured and were held by the authorities of Tamaulipas; that the demand for their extradition which I had made would be answered to-day or to-morrow morning, and that the parties would be delivered over, but thought that their immediate delivery ought not to be pressed, as the authorities were anxious to capture the other parties engaged in that outrage; and he also thought the chances of their capture would be greatly diminished if an immediate delivery took place. He expressed an earnest desire for the capture and delivery of Rafael Garza, who was the leader of the move against Starr County jail. He expressed the opinion that none of the party would be delivered up except those who were shown to be United States citizens, and requested me to prepare the proof of their citizenship. I expressed to him the opinion that all parties engaged in the outrage ought to be delivered up for punishment, irrespective of their nationality; that the comity of nations and the critical relations of the two countries required such action, if there was a real desire for peace, without regard to treaty stipulations. In which expression of opinion General Benavides concurred, and stated that he would address the central government and the minister of war upon the subject. I also agreed to communicate his request for delay to the governor of Texas. He expressed a strong desire for peace and amicable relations between the two republics, and that the criminals on the border should be weeded out.

JOHN C. RUSSELL,

Extradition Agent and Commissioner.

[Telegram.]

BROWNSVILLE, TEX., August 29, 1877.

His Excellency R. B. HUBBARD:

Have just had a call from General Benavides, who informs me that three prisoners have been captured, but asks delay in delivery on my demand, as immediate rendition will diminish prospects of capturing others. I demand all, irrespective of nationality, believing the comity of all nations requires their delivery under existing circumstances. General Benavides stated that he would at once convey to the central government my views, as he concurred in them.

JOHN C. RUSSELL,

Extradition Agent.

[Telegram.]

EXECUTIVE OFFICE, STATE OF TEXAS,
Austin, August 30, 1877.

Hon. J. C. RUSSELL,

Extradition Agent, Brownsville, Tex.:

Your demand approved. The republic of Mexico will exhibit a generous spirit of comity as well as justice by delivering all the marauders, irrespective of nationality. I hope it will be done in good faith and without unnecessary delay.

R. B. HUBBARD, Governor.

[Telegram.]

BROWNSVILLE, TEX., August 30, 1877.

His Excellency R. B. HUBBARD, Governor:

Received reply from Judge Passament, extradition agent, to my demand. He says prisoners in Matamoras jail claim Mexican citizenship and exemption from extradition. He awaits proof from me that this claim is untrue, because if true he will not extradite. Should I fail in proof, which is probable, what next?

JOHN C. RUSSELL,

Extradition Agent.

[Telegram.]

EXECUTIVE OFFICE, STATE OF TEXAS,
Austin, September 1, 1877.

See last clause of article 6 of extradition treaty. You can obtain proof from Starr County to identify prisoners released from Rio Grande City jail, if any are arrested.

I hold the onus of proving citizenship rests on the Mexican Government, the demand being made by this government first. If the marauders are, in fact, Mexican citizens, shall then demand reparation, and refer the whole matter to the President of United States. The prisoners released should at once be delivered, whether Mexicans or not, our jurisdiction having already attached.

R. B. HUBBARD, *Governor.*

[Telegram.]

SAN ANTONIO, TEX., *August 24, 1877.*Governor HUBBARD, *Austin, Tex.:*

Your letter with Captain Hall's received. My advices do not agree with letter. My orders prohibit crossing on trails after any sort of raiders, where there are Mexican troops to arrest or pursue such bandits. Telegraph that Hall proposes to cross at Camargo, and says he is authorized by orders from you to pursue and arrest all criminals wherever they may be found, even on Mexican soil.

If this is so, and he crosses, unless my orders are changed, he will cross without aid from regulars.

Hall, also, according to my advices, stated to Colonel Gomez that there are twenty-five thousand volunteers organizing in Texas for campaign in Mexico.

Such talk, if reported correctly, is likely to stop efforts on the part of the Mexican authorities to capture and return the rescued prisoners under extradition treaty.

ORD, *Brigadier-General.*

[Telegram.]

EXECUTIVE OFFICE, STATE OF TEXAS,
Austin, August 24, 1877.

Lieut. LEE HALL,

Commanding Company, Rio Grande City, Tex.:

You will confine your duties solely to the protection of property and citizens on Texas side of the river. You will not cross the river save under my orders or orders of officers of the United States Army.

General Ord telegraphs me that you have made threats of crossing the river for these outlaws, and that Texas militia was being called out in large numbers. My demand is a civil one, under extradition treaty. When time comes to cross, General Ord and myself will act in concert, and you will be advised.

R. B. HUBBARD,
Governor and Commander-in-Chief.

[Telegram.]

EXECUTIVE OFFICE, STATE OF TEXAS,
*Austin, August 24, 1877.*General ORD, *San Antonio:*

Dispatch received. Hall has had strict orders to confine his operations to this side of the river. I make the demand under extradition treaty. If that fails, then I shall introduce other actors, I hope, but always by consent of the United States Government.

Forward you full advices per mail.

R. B. HUBBARD, *Governor.*

EXECUTIVE OFFICE, STATE OF TEXAS,
Austin, August 24, 1877.

SIR: I am in receipt of your telegram of this date, and herewith have the honor to hand you copy of my reply thereto by telegraph and also of my telegram to Lieutenant Hall, commanding State troops at Rio Grande City.

Very respectfully,

R. B. HUBBARD, Governor.

Brig. Gen. E. O. C. ORD, U. S. A.,
Commanding Department of Texas.

P. S.—There have been no orders by me to raise volunteers for any purpose. My dispatches to the President and to yourself cover all I have said and propose to do in the premises.

HUBBARD.

[Telegram.]

RIO GRANDE CITY, TEX., August 25, 1877.

Governor HUBBARD:

SIR: Upon my arrival here, I was called upon by the commander of the post, Colonel Price, who informed me that he had instructions from the head of this military department to turn the matter entirely over to the civil authorities of this State.

Upon this I visited Colonel Gomez, commanding Mexican forces on the other side. Did not state to him there were large forces being organized on this side for the purpose of invading Mexico, but simply referred to your dispatch to General Ord of August 13, and to your demand of the same date, as published in the San Antonio Express, a copy of which I had with me at the time, to show him that the State of Texas was in earnest in this matter, at the same time telling him he must get these men within four days—not saying what the consequences would be if he did not—as I was reliably informed they were then at a ranch within four miles of Colonel Gomez's headquarters and within five miles of this place.

From my observation, the authorities are either unwilling or unable, from a sympathy with all outlaws, to make the arrest. All their movements with troops and otherwise have indicated a desire to protect rather than deliver any of the depredators. Nothing can induce them to turn over any of these culprits, although I am satisfied they know just where to put their hands upon them, and now believe that they are under surveillance, to be forthcoming in case of absolute necessity.

If it is a question of talk and diplomacy, there will be none of the raiders delivered, as they are profuse in fair promises since the Hidalgo treaty, which is all in their favor. There is no record where they have ever fulfilled their portions of the treaty on the Lower Rio Grande. If this offense is allowed to be smoothed over without complete punishment to the offenders, there can be no security for life or property on this border hereafter.

Rumors of the threatened breaking of the jail at Edinburg reached here to-day in presence of perfect apathy on the part of the troops on the other side, and being thoroughly informed of such, what can State troops or even United States troops do under existing orders?

HALL,
Lieutenant Commanding State Troops.

[Telegram.]

SAN ANTONIO, TEX., August 27, 1877.

Governor HUBBARD:

The following just received from Fort Brown:

"Saw Generals Benavides and Canales. They assure me everything is being done by them to arrest the remaining raiders and prisoner. Of the four now arrested, two come under the extradition treaty, and are ready to be delivered—one raider and one prisoner. They know the whereabouts of the rest, except the two Texans and the unknown. Owing to the great animosity existing between the Texan and Mexican border citizens, it is difficult to inspire them with zeal in the apprehension.

"General Benavides has dismissed two captains of local troops for want of zeal. Any unlawful interference of our citizens only impedes the efforts of the authorities. Judge Russell, United States extradition agent, is here. The Mexican agent, Carlos Pasman, is in Matamoras."

Signed, "Switzen."

ORD, Brigadier-General.

[Telegram.]

BROWNSVILLE, TEX., *September 3, 1877.*His Excellency R. B. HUBBARD, *Governor:*

Will you authorize me to employ counsel to prosecute in extradition of parties engaged in Rio Grande affair? We ought to be represented before the extradition agent to insure return of criminals. Answer. No further developments.

JOHN C. RUSSELL,
Extradition Agent and Commissioner.

[Telegram.]

EXECUTIVE OFFICE, STATE OF TEXAS,
Austin, Sep'tember 3, 1877.

Judge J. C. RUSSELL, *Brownsville, Tex.:*

The expenses of extradition under article 5 of the treaty does not include those of counsel. There is no such appropriation. Unless clearly proven to be Mexican citizens to your satisfaction or your agent, must be delivered. The released prisoners must, whether Mexicans or not, be delivered any how.

R. B. HUBBARD, *Governor.*

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., September 8, 1877.

SIR: I have the honor to inclose copy of a telegram received this day from Lieutenant-Colonel Sweitzer, Eighth Cavalry, commanding district of the Rio Grande. This comes, I think, from General Benavides, who gave me to understand the same was intended.

The view as to local authorities' inability or indifference to central government, by reasons of local feeling, doubtless correct, and agrees with the view of prominent Lerdists now in this city. Whether the coming power will have the necessary ability and disposition is the question.

Very respectfully, your obedient servant,

E. O. C. ORD,
Brigadier-General U. S. A., Commanding.

His Excellency the GOVERNOR of Texas,
Austin, Tex.

UNITED STATES TELEGRAPH,
Fort Brown, 7, 1877. (Received September 7, 1877, 3.25 p. m.)

A. A. GENERAL:

There are now fifteen hundred Mexican regular soldiers at Vera Cruz ready to embark for Matamoras, probably under command of General Gonzales. They will be sent on one of the Alexander line of steamers, City of Merida, to Bagdad. They come for the purpose of enforcing the extradition treaty between the United States and Mexico, and enforcing order on the border. The local authorities on this frontier, being mixed up in local politics, are afraid to carry out any vigorous measures ordered by the Mexican Government. They obey orders when it suits them, and when they think it will not injure their political prospects. In other words, the lawless citizens control and overawe the local authorities.

The government appears to be eagerly in earnest to enforce law and order on this frontier, but their local agents are afraid to execute their orders,

SWEITZER.

[Telegram.]

BROWNSVILLE, TEX., *September 10, 1877.*His Excellency R. B. HUBBARD, *Governor:*

SIR: I transmit the following, as I regard it as the ultimatum of the demands heretofore made. The correspondence will be sent by mail as soon as I can get it arranged.

J. C. RUSSELL,
Extradition Agent and Commissioner.

BROWNSVILLE, CAMERON COUNTY, TEXAS,
September 10, 1877.

SIR: I have the honor to report to your honor that on the 3d instant, after receiving your telegram requiring my presence here to identify the prisoners alleged to be confined in Matamoras, Mexico, three in number, two of whom, it is said, to have been among the assaulting party upon the jail in Rio Grande City, Starr County, and the other one of rescued prisoners, and in response to said telegram I repaired to this place, where I arrived on Wednesday night, the 5th instant, and reported to your honor.

On Thursday, under instructions from your honor, I delivered to Carlos Passement, agent of extradition in Matamoras, Mexico, copies of indictments and affidavits against the three parties, said to be in jail in Matamoras, to wit, Pablo Parra, Brígido Olivares, and Rudolfo Espronceda, and the other parties engaged in aforesaid assault, as also the party Segundo Garza, one of the delivered prisoners from the jail of Starr County, when the said Carlos Passement, agent of extradition, informed me that on the morrow he would reply to your honor.

Whereupon I stated that by order of your honor I wished to see the prisoners with the view of identifying them, to which I was replied, "I will answer to-morrow."

On the next day, Friday, the seventh, I went again to Matamoras and met Judge Passement at the office of General Canales, and on repeating my demand, under your honor's instructions, to view the said prisoners, I was informed that a special request in writing from your honor was necessary, whereupon I reported to your honor.

On Saturday, the 8th instant, I repaired to Matamoras and delivered to said Judge Passement your written request for me to view the prisoners, which the said judge had required on the day previous, when he stated he would reply in writing, but I was not given an opportunity to see the prisoners.

On Monday, the 10th, I again went to Matamoras, under the orders of your honor, to view the prisoners, but did not find Judge Passement at his office. I then repaired to his house, where I found him, and informed him of my business, under your orders. He replied, "I can do nothing. I am sick in bed. I have resigned, and you will have to wait until another judge is in office."

After all these repeated failures simply to see the prisoners, and believing I will not be permitted to do so, I ask leave to return to my home to attend to the duties of my office for the approaching session of the district court.

P. MARCELLI,
Sheriff Starr County, Texas.

HON. JNO. C. RUSSELL,
Judge Twenty-fifth Judicial District, Texas,
and Agent of Extradition.

[Telegram.]

RIO GRANDE CITY, TEX., September 11, 1877.

Adjutant-General STEELE:

I am reliably informed that Seferino Juarez, Segundo Garza, Rafael Garza, and Pedro Rodriguez, four of the raiders, are now in Camargo, unmolested by the officers.

J. L. HALL,
Lieutenant Commanding State Troops.

[Telegram.]

BROWNSVILLE, TEX., September 12, 1877.

His Excellency R. B. HUBBARD, Governor:

Last night, at 12 o'clock m., the Mexican authorities turned over to sheriff of Starr County, on the Texas side of Rio Grande, in this city, Rudolfo Espronceda, who was released from jail at Rio Grande City, and Pablo Parra and Brígido Olivares, raiders, who released prisoners there on the 11th ultimo. Unofficial information assures me that the other raiders are in Camargo and not arrested.

RUSSELL,
Extradition Agent.

[Telegram.]

EXECUTIVE OFFICE, STATE OF TEXAS,
Austin, September 13, 1877.Hon. J. C. RUSSELL,
Extradition Agent, Brownsville, Tex.:

Your dispatch received; also your official correspondence. I heartily approve your course, and congratulate you on the success attending your efforts. It is to be hoped that the murderer Garza, released from jail, and all the remaining raiders will be arrested and delivered by the Mexican authorities without delay.

R. B. HUBBARD,
Governor.

[Telegram.]

HIDALGO, TEX., September 19, 1877.

His Excellency R. B. HUBBARD, Governor:

Sheriff of Hidalgo County was refused permission to see and identify three prisoners now in Matamoras jail charged with murder in this county. We can hope for no further action being taken on the Mexican side, as Canales has resigned on account of the delivery of the three ordered by Diaz—of which I advised you.

JOHN C. RUSSELL,
Extradition Agent and Commissioner.

[Telegram.]

EXECUTIVE OFFICE, STATE OF TEXAS,
• Austin, September 20, 1877.Judge JOHN C. RUSSELL,
Extradition Agent, Brownsville, Tex.:

Your report, received, this day, has been sent to Washington. Whoever acts in Canales' stead, make demand of him. If no one, report to me.

Where are the fifteen hundred troops to be sent by Diaz to enforce our extradition demand?

R. B. HUBBARD,
Governor.

[Telegram.]

HIDALGO, TEX., September 21, 1877.

His Excellency R. B. HUBBARD, Governor:

Demands have since been made on José Ma. Villereal and answered, but no prisoners returned. Know nothing more than your excellency about the fifteen hundred troops alluded to.

RUSSELL,
Extradition Agent,

HIDALGO, September 19, 1877.

SIR: I have the honor to inclose to you the report of Sheriff Leo, of this county, which will explain itself. Being so remote from Matamoras—the only point that I have been able to find an agent on the Mexican side—I have but little hope of any more criminals being returned. I shall not, however, cease to demand and urge their return.

With considerations of esteem and respect, I have the honor to be, your obedient servant,

JOHN C. RUSSELL,
*Extradition Agent and Commissioner.*His Excellency R. B. HUBBARD,
Governor, Austin, Tex.

HIDALGO, TEX., September 17, 1877.

SIR: I have the honor to inform you that, in obedience to your instructions, sent me by Sheriff Marcelle, I, with Mr. John O. Thompson, repaired to Brownsville to identify the prisoners Matilda Rameriez, Leon Zamora, Porfirio Cantu, and Felix Garcia, now in jail in Matamoras, Mexico, and for whom you had made demand for their extradition, based on a charge of murder of Alexander Morel, preferred by indictment in this county.

That on Saturday, the 15th instant, we went (Mr. Thompson and myself) to Matamoras, and I delivered, at 12 m., to the proper officer, José Ma. Villereal, your request that we be admitted to see the parties to identify them, if we could, and your demand that, if identified, said prisoners be delivered to me.

In reply, the said officer, José Ma. Villereal, stated the matter would be attended to at 3 p. m., at which time, on my calling at his office, the said officer informed me, as the morrow, Sunday, was a holiday he could do nothing before Monday. I then insisted on seeing the prisoners for their identification, when I was referred to his secretary, Jesus Carazos, who informed me that the prisoners could not be seen; that we ought to be satisfied, as three Mexicans had already been delivered up; that these men would not be given up, and that if the Americans were smart they would get what Mexican prisoners they wanted in some other way.

This last remark he declined to explain, saying he wished no more arguments; when the judge, José Ma. Villereal, said he was glad he had nothing to do with the delivery of the said Mexican raiders on the Rio Grande city jail, as public opinion was much against the act, and all connected with it were much censured, although the supreme government had ordered the delivery.

Mr. Thompson, however, saw accidentally one of the prisoners, Matilda Rameriez, whom he knew well.

Very respectfully,

ALEXANDER J. LEO,
Sheriff, Hidalgo County, Tex.

HON. JOHN C. RUSSELL,
*Judge Twenty-fifth Judicial District and
Extradition Agent, Hidalgo, Hidalgo County, Texas.*

[Telegram.]

RIO GRANDE CITY, TEX., September 26, 1877.

HIS EXCELLENCY R. B. HUBBARD,
Governor:

Your telegram of to-day received. You need entertain no hopes of the surrender of any more criminals demanded. The whole of the frontier is aflame on the Mexican side about the surrender of the three criminals delivered, and General Canales, who made the delivery, has resigned because he was forced to make the rendition. The populace along the other side is very much excited, and a revolution is imminent on account of the surrender.

Canales is going to Victoria, capital of Tamaulipas, and takes with him the State troops, leaving in Matamoras his small garrison of federal troops. The latter are now re-enforced by regulars sent from Vera Cruz on the war-steamer Independencia. It seems this may be precautionary against Ori's order.

Extradition matters on Mexican side are confided to an alcalde at Matamoras; governor and judge of first instance declining to act, or resigning, and the alcalde seems to follow the popular fanaticism against surrender of any more Mexican criminals.

The Mexican press is unanimous against delivery, and the Progreso newspaper of Matamoras (semi-official) announces that no more surrenders will be made.

I received communication from the alcalde of Matamoras yesterday, which plainly leads me to the conclusion that no more criminals will be surrendered. It is reported that meetings have been held on Mexican side with a view to reclaim prisoners already delivered.

To prevent this and insure a fair trial, forces at garrison here have been placed at my disposal.

Yesterday sent demand through Colonel Price, Fort Brown, in strong terms, to extradition agent at Matamoras for balance of Rio Grande city-jail raiders, also for the Duval County murderers and the criminals who escaped from Hidalgo County; but expect no result whatever except voluminous correspondence and delay.

Colonel Price very earnest in efforts to extradite criminals. I sent Sheriff Leo's report by mail from Hidalgo, which will enable you to judge of disposition of Mexican authorities to surrender criminals of their origin. This is status of extradition matter to date.

JOHN C. RUSSELL,
Extradition Agent and Commissioner.

RIO GRANDE CITY, TEX., September 30, 1877.

SIR: I have the honor to inclose to you a translated copy of the last communication received relating to the extradition of criminals.

The construction placed upon the treaty by the Mexican authorities certainly will make it a dead letter.

I have answered the communication, declining to discuss any further the treaty, as my views and the views of my government had been fully expressed in a former communication.

With considerations of respect and esteem, I have the honor to be, your obedient servant,

JOHN C. RUSSELL,
Extradition Agent and Commissioner.

His Excellency R. B. HUBBARD,
Governor, Austin, Tex.

[Translated and inclosed by Judge Russell.]

In pursuance of the duty of the justice which is administered in Mexico, in accordance with its legislation and the extradition treaty of criminals entered into with the North American Republic, my predecessor proceeded to dispatch the proper orders for the apprehension of the persons to whom you refer in your requisition note of the 30th of last August.

Two of the parties demanded, Carter and Zamora, were arrested in their houses in the town of Reynosa, and conducted before this tribunal. Within this jurisdiction Garcia was also arrested, and Ramirez was in custody in the city jail, sentenced to nine months' service on the public works for cattle-stealing. All have denied having any knowledge of, or intervention in, the murder of Alexander Morel, which occurred, according to the indictment of the grand jurors of the county of Hidalgo, State of Texas, on the 23d of March, 1875.

The same persons allege that they have never lived in the county of Hidalgo, State of Texas, but that they have always resided on Mexican soil, on which they were born, and have never changed their nationality.

It is not within the province of this tribunal, in its special character as extradition agent for the republic of Mexico, to inquire into the truth of the crime of the murder of Morel, because this is considered to belong to the judicial authorities of the State of Texas; but, however, I will now state that the indictment by the judicial authorities of the State of Texas, which you have inclosed to me with your note of August 30, is the only evidence to me of any offense committed, and I do not believe that it alone is a compliance with the second part of the first article of the treaty celebrated between the two republics on the 11th day of December, 1861.

Pursuant to the duty of this tribunal to ascertain two essential circumstances—one, the nationality of the persons alluded to, and the other, their constant residence on Mexican soil without having changed it to the State of Texas—proceedings are being had to that end, the result of which I will give you timely notice of; so that I may resolve from them whether or not the extradition can take place under the final part of the sixth article of the same treaty.

The extradition, I consider, cannot be accomplished with solely the identification of the persons demanded; for this could only serve to prove the persons and names of the parties; but this tribunal could not base on that alone a decree of the extradition, as requested by you in your note of the 15th instant, to which I refer in this communication; and even as to that proceeding of identification, I feel bound to state to you that the sheriff of the county of Hidalgo, A. J. Leo, and John O. Thompson, did not present themselves yesterday, to proceed in the order prescribed by the laws of this country, which this tribunal cannot disregard, not even in special cases such as the present one, without incurring a responsibility.

With due considerations of attention and respect, I have the honor to subscribe myself your obedient servant.

Liberty in the constitution.

H. Matamoras, September 18, 1877.

JOSÉ MA. VILLEREAL.

Hon. JOHN C. RUSSELL,
*Extradition Agent of Criminals between the United States of
North America and Mexico, Brownsville.*

H. Ex. 13—7

[Telegram.]

LAREDO, TEX., October 3, 1877

His Excellency R. B. HUBBARD, *Governor*:

I received last night, from commander Fort Brown, the following telegram:

"The five prisoners held in Matamoras, and for whom you have been making requisitions, were yesterday released and turned loose.

(Signed)

"PRICE."

The prisoners referred to are three murderers from Hidalgo and two murderers from Duval, who have been heretofore demanded.

Have you any instructions to give?

JOHN C. RUSSELL,
Extradition Agent and Commissioner.

[Telegram.]

EXECUTIVE OFFICE, STATE OF TEXAS,
Austin, October 8, 1877.

HON. JOHN C. RUSSELL,
Extradition Agent, Laredo, Tex.:

Your dispatch informs me, covering same advices from Colonel Price, of United States Army, that Mexican authorities have at last set the extradition treaty openly at defiance.

Inform them that I shall regard their action in releasing these murderers indicted in Texas, and formally demanded by you, as conclusive evidence of either inability to observe the treaty or hostility to all Texans and Americans, or perhaps both.

You will cease to make other demands until further orders.

I shall now appeal to the United States Government for redress of our wrongs, so long continued.

R. B. HUBBARD,
Governor.

EXECUTIVE OFFICE, STATE OF TEXAS,
October 9, 1877.

I hereby certify the above and foregoing pages, numbered 1 to 60, (both inclusive,) contain true copies of the papers therein referred to, now on file in this office.

THOMAS P. MARTIN,
Private Secretary.

No. 45.

Mr. Evarts to Governor Hubbard.

DEPARTMENT OF STATE,
Washington, October 22, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 10th instant, informing me of the recent action of the authorities of Mexico in regard to certain demands made by you upon that government, under the treaty of extradition between the United States and Mexico, for criminals committing offenses in the State of Texas.

I am, &c.,

WM. M. EVARTS.

WAR DEPARTMENT.

WAR DEPARTMENT,
Washington City, November 7, 1877.

SIR: In response to your request therefor, I have the honor to transmit all the information in the possession of this department referring to the condition of the Mexican border in Texas, and to any recent violation of the territory of the United States by incursions from Mexico, which was called for in the resolution of the House, offered by Hon. Mr. Schleicher.

Very respectfully, your obedient servant,

GEO. W. McCRARY,
Secretary of War.

The PRESIDENT.

Copies of papers relating to the condition of the Mexican border of Texas, and to violation of the territory of the United States by incursions from Mexico since March 3, 1877.

PART I.

A.—Orders of the President for the suppression, by United States troops, of raiding, &c., from Mexico, and correspondence in relation thereto.

B.—Attack by armed Mexicans on the jail at Rio Grande City, and release of prisoners therefrom.

C.—Disturbances at San Elizario, El Paso County, Texas.

D.—Miscellaneous reports and correspondence from March 3 to July 5, 1877.

Official:

E. D. TOWNSEND,
Adjutant-General.

WAR DEPARTMENT,
 ADJUTANT-GENERAL'S OFFICE,
Washington, November 7, 1877.

A.

ORDERS OF THE PRESIDENT FOR THE PREVENTION, ETC., BY UNITED STATES TROOPS, OF RAIDING FROM MEXICO, AND CORRESPONDENCE IN RELATION THERETO.

WAR DEPARTMENT,
Washington City, June 1, 1877.

GENERAL: The report of W. M. Shafter, lieutenant colonel Twenty-fourth Infantry, commanding the district of the Nueces, Texas, concerning recent raids by Mexicans and Indians from Mexico into Texas for marauding purposes, with your indorsement of the 29th ultimo, has been submitted to the President, and has, together with numerous other reports and documents relating to the same subject, been duly considered.

The President desires that the utmost vigilance on the part of the military forces in Texas be exercised for the suppression of these raids. It is very desirable that efforts to this end, in so far at least as they necessarily involve operations on both sides of the border, be made with the co-operation of the Mexican authorities; and you will instruct General Ord, commanding in Texas, to invite such co-operation on the part of the local Mexican authorities, and to inform them that while the President is anxious to avoid giving offense to Mexico, he is nevertheless convinced that the invasion of our territory by armed and organized bodies of thieves and robbers, to prey upon our citizens, should not be longer endured.

General Ord will at once notify the Mexican authorities along the Texas border of the great desire of the President to unite with them in efforts to suppress this long-continued lawlessness. At the same time he will inform those authorities that if the Government of Mexico shall continue to neglect the duty of suppressing these outrages, that duty will devolve upon this government, and will be performed, even if its performance should render necessary the occasional crossing of the border by our troops. You will therefore direct General Ord that in case the lawless incursions continue, he will be at liberty, in the use of his own discretion, when in pursuit of a band of the marauders, and when his troops are either in sight of them or upon a fresh trail, to follow them across the Rio Grande, and to overtake and punish them, as well as retake stolen property taken from our citizens and found in their hands, on the Mexican side of the line.

I have the honor to be, very respectfully,

GEO. W. MCCRARY,
Secretary of War.

General W. T. SHERMAN,
Commanding Army of the United States.

HEADQUARTERS ARMY OF THE UNITED STATES,
Washington, D. C., June 2, 1877.

GENERAL: I now have the honor to inclose you an authentic copy of a letter of June 1, this day received from the honorable Secretary of War, defining clearly the policy to be followed on the Mexican border of Texas. Please remit a copy of the same to General Ord, commanding Department of Texas, who started hence yesterday for his post, advised in general terms of the substance of this letter.

I have the honor to be, your obedient servant,

W. T. SHERMAN,
General.

General P. H. SHERIDAN,
Commanding Military Division of the Missouri, Chicago, Ill.

WAR DEPARTMENT,
Washington City, June 1, 1877.

SIR: I have the honor to transmit herewith, for your information, a copy of instructions issued to General W. T. Sherman, commanding the Army of the United States, in relation to the suppression of raids by marauding parties from Mexico across the border into Texas.

Very respectfully, your obedient servant,

GEO. W. MCCRARY,
Secretary of War.

Hon. SECRETARY OF STATE.

DEPARTMENT OF STATE,
Washington, June 5, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 1st instant, inclosing a copy of the instructions addressed by you to General W. T. Sherman, in relation to the suppression of raids by marauding parties from Mexico into Texas.

I am, sir, your obedient servant,

WM. M. EVARTS.

Hon. GEORGE W. MCCREARY,
Secretary of War.

DEPARTMENT OF STATE,
Washington, June 8, 1877.

SIR: I have the honor to transmit herewith a copy of a letter, dated the 23th instant, which has been this day received from the minister of the United States at Mexico, with regard to the action which will be taken by Mexico with respect to the troubles on the border.

I have the honor to be, sir, your obedient servant;

WM. M. EVARTS.

Hon. GEORGE W. MCCREARY,
Secretary of War.

[Indorsement on letter.]

Referred from War Department to General of the Army.

HEADQUARTERS OF THE ARMY,
Washington, June 9, 1877.

Respectfully returned to the Secretary of War, inclosing, for the information of the Department of State, a copy of my dispatch to Lieutenant-General Sheridan, conveying to him the orders of the Secretary of War on the subject. A copy of these papers was furnished General Sheridan by the Adjutant-General.

W. T. SHERMAN,
General.

HEADQUARTERS ARMY OF THE UNITED STATES,
Washington, D. C., June 9, 1877—12.25 p. m.

The Secretary of War has received, through the State Department, a letter from Mr. Foster, our minister at the city of Mexico, dated May 23, 1877, in which he says the President of the Mexican Republic is at last awakened to the importance of repressing "outlawry" on the Texas frontier; that he will send a prudent general to that frontier, with an adequate force, and instructions to co-operate cordially to that end with General Ord.

The whole correspondence will come to you by mail, but meantime the Secretary of War wants you to instruct General Ord to meet this offer of reciprocity cordially, to meet or correspond with the Mexican general thus sent to the frontier, and not to be hasty in pursuit across the border, except in an aggravated case.

W. T. SHERMAN,
General.

General P. H. SHERIDAN,
Commanding Military Division of the Missouri, Chicago, Ill.

WAR DEPARTMENT,
Washington City, June 19, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 8th instant, transmitting a copy of a letter from the minister of the United States at Mexico, stating that the President of the Mexican Government will dispatch to the Rio Grande border a prudent general, with a view to co-operate with General Ord in repressing outlawry, and beg to inclose for your information a copy of instructions issued by the General of the Army on the subject.

Very respectfully, your obedient servant,

GEO. W. MCORARY,
Secretary of War.

Hon. SECRETARY OF STATE.

HEADQUARTERS OF THE ARMY,
ADJUTANT GENERAL'S OFFICE,
Washington, July 16, 1877.

GENERAL ORD, *San Antonio, Tex.:*

Telegram of Saturday is amended to omit your telegraphing General Treviño's instructions, as the Secretary has just received from our minister to Mexico a printed slip, believed to contain them.

The slip begins, "Department of War. The United States War Department has issued," &c., and concludes, with date June 18, "Pedro Ogazon. To the General of Division Gerónimo Treviño. In command of his forces. Piedras Negras."

VINCENT, A. A. G.

MEXICAN MINISTER OF WAR'S ORDER.

DEPARTMENT OF WAR.

The United States War Department has issued an order on the 1st instant, a translated copy of which I herewith inclose, authorizing the troops of that country to invade our national territory, with the object of pursuing the evil-doers to which it refers, to capture the same, punish them, and recover the property stolen from United States citizens.

Although the plenipotentiary of Mexico at Washington, who protested against that order, on account of the offense that it implies toward our country, assures the foreign department by telegraph that he has received friendly explanations from the American Government, the President thinks that the honor of the country will not be satisfied except with a modification of the said order in such terms that it shall not be in contradiction, as it is now, with the treaties in force between Mexico and the United States, with the rules of international law, and even with the practice of civilized nations.

The President has already disposed what is convenient in order that the serious questions to which that order has given rise be treated in a suitable form and manner with the Cabinet of Washington; but as its urgency on the frontier of the neighboring republic may occasion conflicts between the two nations even before those questions can be discussed, the same supreme magistrate has deemed it his duty to communicate to you, as commander of the line of the North, certain instructions which may prevent, as far as possible, the said conflicts, or at least, in an extraordinary case preserve the honor and dignity of the republic.

Therefore the President determines that as soon as you receive the present communication you shall order the division under your command to be situated at such points as you may deem convenient, with the object of protecting the Mexican frontier, and preventing that the robbers of either side of the Rio Grande shall remain unpunished for the mere fact of crossing the river. To this effect you will, with the utmost zeal and activity, pursue the evil-doers that may commit any robberies on Mexican territory who seek to escape to the United States, as well as those who, committing any robberies in the neighboring country, shall come to Mexico fleeing from justice, and seeking impunity in our territory. These persecutions which you may order shall only be made

within the limits of the republic, and once that the criminals shall have been captured, you will place the same at the disposition of the competent courts.

Mexico has celebrated with the United States an extraordinary treaty which was published on the 20th of May, 1862. This treaty is in full force, and you will subject your conduct to the same whenever any criminals captured by your forces be claimed by the military or civil authorities of the neighboring republic, and those that may have committed any of the offenses stipulated in the said treaty.

Whenever, in order to effect the pursuit referred to, it be necessary to act in accord with the military or civil authorities of the United States, you will invite the same, so that they may co-operate with you toward the success of the respective operations.

And when you, on the other hand, receive a like invitation from the said authorities, you will zealously endeavor to accede to it, doing everything in your power in order to capture the criminals. This agreement between the commanders and authorities of both countries shall in no case authorize the passing of foreign troops into our territory, an authorization which cannot be granted even by the President of the republic, because fraction 16, article 72, of the federal constitution, reserves it exclusively to the congress of the Union. In obedience to that law, you will by no means consent that the troops of the United States enter our territory, and out of respect to the sovereignty of that republic, you will likewise prevent Mexican forces from trespassing on foreign soil.

At the shortest possible time you will communicate to General Ord, or to the superior commander of the United States forces on the frontier, these instructions, acquainting him at the same time with the dispositions you may dictate in order to render them effective. You will also endeavor to accord with the said commander with regard to the operations to be undertaken, in combination with him, for the capture of evil-doers and their most effective punishment, giving him to understand that the desires of the President on this point have no other restrictions than those imposed upon him by international law, the treaties now in force between the two countries, and the dignity of the republic. And, as a consequence of those restrictions, you will inform the said commander that, as the Government of Mexico cannot allow a foreign force to enter the national territory without the consent of the congress of the Union, and much less that the said force shall come to exercise acts of jurisdiction, as those expressed in the order of the United States War Department, you will repel force by force should the invasion take place.

In dictating this extreme measure, the President has had in view those considerations which no Mexican can forego when the defense of the national honor is in question; the supreme magistrate of the republic believes that he faithfully interprets the feelings of the Mexicans, if he accepts the situation in which he is placed, rather than the humiliation of an offense which would reduce Mexico to the condition of a barbarous country and beyond the communion of international law. The President does not wish, however, that the attitude assumed by the soldiers of the republic in front of troops trespassing upon our territory, infringing international law, be reputed as an act of hostility towards the United States, but that it be considered as the exercise of the legitimate right of self-defense, that appeals to arms only in the extreme case when amicable means are unavailable to make it respected.

This is not the proper time, nor is it of the incumbence of this department, to discuss the order of the United States War Department, showing the errors contained in Colonel Shafter's report, which has given rise to the same, nor inquiring into whether the Mexican Government has neglected its duty in preventing on its part the depredations of the marauders on the frontier, a reason or motive appealed to by the American Government in order to take upon itself the fulfillment of that duty, ordering even the invasion of our territory. In order to treat this matter conveniently, the necessary instructions have been given to our minister at Washington.

I request you to appoint a commissioner *ad hoc* near the American commander, who shall express to him what I have here stated. Send to the said commander by that commissioner a certified copy of this communication, so that he may become thoroughly acquainted with the measures dictated by the government of the republic.

I deem it unnecessary to recommend to you the faithful and exact fulfillment of the instructions I hereby communicate to you by order of the President. Our national honor is therein interested, and this suffices to expect of your patriotism to act with the prudence demanded by this serious question in order to avoid any cause of conflict between the two countries, acting, however, with due energy, and repelling with force the insult that it is being sought to inflict on Mexico, by the invasion of her territory.

City of Mexico, June 18, 1877.

PEDRO OGAZON.

To the General of Division GERÓNIMO TREVINO. *In command of his forces. Piedras Negras.*

MEMORANDUM OF POINTS NOTICED BY THE MINISTER OF THE UNITED STATES IN
CONFERENCE AT THE MEXICAN FOREIGN OFFICE.

I.—*The instructions given to General Ord is not the announcement of a new measure on the part of the Government of the United States.*

Mr. Nelson, on the 4th of January, 1871, applied to the executive for permission for the United States troops to cross the frontier; and April 12, 1871, he renewed the application, suggesting that the Mexican congress be solicited to grant said permission, both of which applications were declined.

The Secretary of State of the United States, Mr. Fish, on the 30th of April, 1875, submitted to Mr. Mariscal, for the consideration of his government, a reciprocal proposition to allow the troops of either government to cross the frontier of one or the other nation in close pursuit of raiders and outlaws and capture them; stating to Mr. Mariscal at the same time that the public mind not only in Texas, but throughout the United States, was such that the outrages committed from Mexican territory in Texas could no longer be tolerated. This was not accepted by the Mexican government.

On the 26th of June, 1875, the undersigned renewed the request made by Mr. Nelson, and the minister of foreign affairs (Mr. Lafragua) replied that the executive had no authority to grant it, and that it would not be prudent to ask the consent of Congress. On the 6th of July, 1875, the raids from Mexico continuing, the undersigned informed the minister of foreign affairs that unless the depredations ceased such a measure as that announced in the instruction to General Ord might be anticipated; adding in the same connection, referring to the raids from Mexico, that protection to the citizens of Texas must be afforded; if not given by the Mexican Government, it would come from the United States. (United States Diplomatic Correspondence of 1875.)

On the 23d of April of the present year, in an interview had with Minister Vallarta, in reporting to him the murder of seventeen American citizens in Texas in the previous few months by Indians from Mexico, the undersigned informed him that the recommendation of Colonel Shafter, that the only way to put a stop to the raids was to follow the delinquents into Mexico and attack them in their lairs, would have to be taken into serious consideration by the Government of the United States, if the Mexican authorities are unable or unwilling to check the depredations.

II.—*The depredations of the past four years have not been common to both sides of the frontier.*

Under date of the 20th of May, 1875, the Secretary of State, Mr. Fish, stated that it was frivolous to seek to justify the hostile incursions into American territory on the ground of retaliation for similar excursions from the American side. He adds: "There have been none such, and proof of the contrary is challenged." On the 26th of June, 1875, the undersigned, by instruction from his government, gave to the Mexican minister of foreign affairs the above declaration contained in Mr. Fish's dispatch, and challenged him to furnish proof to the contrary. The minister promised to examine the data in his department and ask information of the governors of Tamaulipas and Coahuila, and to furnish the legation with the result of his investigation. Not a single fact or instance has as yet been furnished.

The investigations of the Mexican border commission relate to events which occurred previous to 1873.

III.—*Mexico has taken no adequate or vigorous measures to prevent the depredations or punish the outlaws.*

The undersigned has repeatedly called the attention of the Mexican Government to the long list of depredations and outrages which have been inflicted upon the people of Texas by raiding bands from Mexico, as the records of the Mexican foreign office show, and he has urged that an adequate federal force under an able and prudent general of high rank be sent to that frontier to co-operate with the American troops in the suppression of the raids. These matters he frequently pressed upon the past administration; and immediately upon the accession of Mr. Vallarta to the department of foreign affairs, in December last, his attention was called to the condition of affairs on the frontier, urging early measures for its peace and order, assuring him that it was essential to the maintenance of cordial relations between the two countries, and renewing the suggestion that a federal force, under an experienced officer of high rank, be at once dispatched to the Rio Grande. Although this subject has been frequently brought to the attention of the minister in the past six months, up to the date of the receipt of the recent order of the Secretary of War of the United States, absolutely nothing has been done to repress the raids or co-operate with the American troops, so far as this legation has received information.

Notwithstanding the long list of these outrages, which the undersigned has brought to the attention of the Mexican Government in the past four years, which include murders, arson, plundering of government post-offices and custom houses, robberies, and other outlawry, not a single punishment has resulted on the part of the Mexican authorities.

IV.—*Mexico has frequently acknowledged its inability to discharge its duty in regard to the preservation of peace on the Rio Grande frontier, giving as a reason its internal dissensions.*

For eighteen months preceding the fall of the past administration, in reply to the remonstrances of the undersigned, the minister of foreign affairs pleaded as an apology for the inefficiency and neglect of his government in repressing raids into the United States that the whole force of the army was required elsewhere to resist the revolution of General Diaz. (See United States Diplomatic Correspondence, 1875.)

The reasons given at various times to the undersigned by the present government for its postponement of attention to the subject and the disposition of a federal force and prominent officer to preserve the peace on the Rio Grande and co-operate with the American troops in preventing raids, has been the disturbed state of the affairs of this republic consequent on the revolution and the necessity of first establishing its internal government.

If one of the rival claimants to the presidency succeeds in establishing a foot-hold on Mexican territory and in organizing a counter-revolution, will not necessity again compel the government to devote all its energy and power to the suppression of the new revolution, and abandon the Mexican side of the Rio Grande to the raiders and outlaws?

V.—*The instructions to General Ord are misinterpreted by the Mexican Government.*

They are not an unconditional order to cross the frontier into Mexican territory. General Ord is first instructed to do what the undersigned has been engaged in doing without effect for three years past: to call upon the Mexican authorities to co-operate for the suppression of the raids of armed and organized bodies of thieves and robbers. He is to give the authorities notice that the depredations upon the citizens of Texas can no longer be endured; and that, if the Government of Mexico shall continue to neglect its duty in suppressing this lawlessness, that duty will devolve upon the Government of the United States. It is only after invitation to co-operate, and after Mexico has declined and continues to neglect its duty, that General Ord is granted discretion to follow the outlaws across the border when in hot pursuit.

VI.—In view of the foregoing facts, *the declaration of the Mexican minister of war is unwarranted wherein it is officially asserted that the instructions to General Ord are in contradiction with treaties between Mexico and the United States, with the rules of international law, and even with the practice of civilized nations.*

Such charges in an official document of the government are sufficiently serious to excite apprehensions for the maintenance of cordial relations; but the undersigned has been profoundly surprised, and has deeply regretted, that it should have been thought necessary or proper to assert in an important public order, issued by direction of the chief executive, that in giving the instructions to General Ord the Government of the United States was seeking to insult Mexico. It might have been supposed that, in the haste with which the order of the minister of war may have been written, there was no premeditated intent to so grossly question the motives which influenced the Government of the United States; but the intent of the executive would seem to be deliberate, when, three days after the publication of the order, the Mexican Government has inserted in its official journal the statement that the order of the President of the United States, through the Secretary of War, was brought about by the efforts of a private citizen of the United States and Mr. Lerdo, through sinister motives, and by a group of adventurers and speculators.

JOHN W. FOSTER.

(Copy left at the Mexican foreign office June 23, 1877.)

B.

ATTACK BY ARMED MEXICANS ON THE JAIL AT RIO GRANDE CITY, AND
RELEASE OF PRISONERS THEREFROM.

[Telegram.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, Ill., August 13, 1877.

General E. D. TOWNSEND,
Washington, D. C.:

The following dispatch from General Ord is forwarded for the information of the honorable Secretary of War.

P. H. SHERIDAN,
Lieutenant-General.

"The following just received :

" 'RINGGOLD BARRACKS, August 12.

" 'Between 1 and 2 o'clock this morning an armed band of from ten to fifteen men crossed from the Mexican side into Rio Grande City, attacked the jail, and released two notorious criminal murderers and horse-thieves, wounding the county attorney and the three jailers severely. As soon as notification reached me I sent Lieutenant Fountain with twenty-five men in pursuit, and followed at day-break with the balance of my mounted command. The river was carefully followed, and they were found to have crossed to the Mexican side at a point near the rancheros, seven miles above here, about one hour before Fountain's party reached there. Two of the party were recognized as desperadoes who made their headquarters in Camargo. I have called upon the military and civil authorities of Camargo and Ulier in conjunction with civil authorities here for the apprehension and delivery of these outlaws. I think these high-handed outrages should be immediately followed up by a demand on their government for their surrender. Am ready with one hundred men and two Gatling guns.

" 'PRICE.'

" I would cross troops and demand them at once, but the guilty parties are doubtless beyond reach. Unless prompt and decisive measures are taken by the government, the actors in this outrage will be emboldened to repeat it on a larger scale.

" 'ORD,
" *Brigadier-General.*"

WAR DEPARTMENT.

Washington City, August 18, 1877.

SIR: I have the honor to transmit, for your information, a copy of a telegram from General Ord, communicating intelligence received from Generals Canales and Treviño, relative to the measures taken by the Mexican authorities for the apprehension of the escaped prisoners from Rio Grande City jail, and concerning the assault on said jail by the Mexican bandits.

Very respectfully, your obedient servant,

GEO. W. McCORARY,
Secretary of War.

The Hon. the SECRETARY OF STATE.

[Telegram.]

SAN ANTONIO, TEX.,

August 14, 1877—10.41 a. m.

To G. W. McCREARY,

Secretary of War, Washington, D. C. :

Colonel Price answers Segurdo Garcia is a notorious outlaw, acknowledged as such by Mexican authorities, boasts to have killed twenty-seven Americans. Esperanzeda was arrested with stolen horses in his possession, claims to be a captain in Escobedo's army. Communicated with that gentleman after arrest. Nationality of neither known.

ORD,
Brigadier-General.

[First indorsement.]

ADJUTANT-GENERAL'S OFFICE,
Washington, August 15, 1877.

Respectfully submitted to the Secretary of War, with copy for the Department of State.

E. D. TOWNSEND,
Adjutant-General.

[Telegram.]

SAN ANTONIO, TEX.,
August 14, 1877—8.28 p. m.

GEORGE W. MCCRARY,
Secretary of War, Washington :

Names of two prisoners released at Rio Grande by raiders, named Segunda Garcia and Rudolfo Espronseda. Will ask their nationality and télégraph reply. Four-fifths voters of that county speak only Spanish.

ORD,
Brigadier-General.

WAR DEPARTMENT,
Washington City, August 16, 1877.

SIR: I have the honor to transmit for your information a copy of a telegram from Brig. Gen. E. O. C. Ord, who states that Colonel Price informed him that Segundo Garcia is a notorious outlaw, and acknowledged to be such by Mexican authorities. Also communicates the intelligence that one Espanzeda was arrested with a stolen horse in his possession, and claims to be a captain in Escobedo's band.

Very respectfully, your obedient servant,

H. T. CROSBY,
Chief Clerk, for the Secretary of War, in his absence.

The honorable the SECRETARY OF STATE.

DEPARTMENT OF STATE,
Washington, August 30, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 13th instant, inclosing a copy of a telegram from General Ord, in relation to the measures taken by the Mexican authorities for the apprehension of the escaped prisoners from Rio Grande City jail, and the assault on the jail by Mexican bandits.

I am, sir, your obedient servant,

F. W. SEWARD,
Acting Secretary.

Hon. GEORGE W. MCCRARY,
Secretary of War.

[Telegram.]*

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., August 13, 1877.

General TREVIÑO,
Commanding the Rio Bravo Line:

(Care of General Sweitzer, commanding district of Rio Grande, Fort Brown.)

GENERAL: The attack on the jail at Rio Grande City, the liberation of two prisoners, and consequent wounding of four State officials of Texas, by a party of outlaws from Mexico, while it pertains more to civil than military affairs, is an unfortunate disturbance of the better feeling on the border which you and I were successfully introducing. I hope the authorities of Tamaulipas will be able to punish the offenders, and return the released prisoners; unless they do, it will be difficult to convince the President of the United States that they are not in sympathy with the outlaws, or powerless to prevent such incursions.

ORD,
Commanding Department.

[First Indorsement.]

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., August 13, 1877.

Respectfully forwarded to the Adjutant-General of the Army, for the information of the Secretary of War.

E. O. C. ORD,
Brigadier-General U. S. A., Commanding.

[Second Indorsement.]

ADJUTANT-GENERAL'S OFFICE,
Washington, August 20, 1877.

Respectfully submitted to the Secretary of War, with copy for the Department of State.

E. D. TOWNSEND,
Adjutant-General.

WAR DEPARTMENT,
Washington City, August 21, 1877.

SIR: I have the honor to transmit, for your information, copy of a telegram of the 13th instant, from General Ord to the Mexican General Treviño, relative to the attack on the jail at Rio Grande City, the liberation of prisoners, and wounding of four officials of the State of Texas.

Very respectfully, your obedient servant,

GEO. W. McCRARY,
Secretary of War.

The honorable the SECRETARY OF STATE.

DEPARTMENT OF STATE.
Washington, August 24, 1877.

SIR: I have the honor to acknowledge the receipt of your communica-

tion of the 21st instant, in relation to the attack on the jail at Rio Grande City by a party of outlaws from Mexico, the liberation of prisoners, &c.
I am, sir, your obedient servant,

F. W. SEWARD,
Acting Secretary.

Hon. GEORGE W. MCCRARY,
Secretary of War.

[Telegram.]

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., August 16, 1877.

ADJUTANT-GENERAL,
Washington, D. C.:

The following just received:

"BROWN, August 15, 1877.

"A. A. G.:

"General Benavides has offered \$2,000 reward for the escaped prisoners, and is making every exertion to capture them. The party were desperadoes who place at defiance the laws of Mexico as well as the United States. The disturbed condition of the frontier, in a continual state of anarchy, gives them immunity from punishment.

"The central government is very little respected by their leaders on this frontier; if the government established, it is proposed to make a change and endeavor to get order out of the confusion.

"SWEITZER,
"Commanding District."

MATAMORAS, August 15, 1877.

The following received from General Treviño, dated 14th:

"General ORD:

"Your telegram concerning assault by bandits on jail at Rio Grande City, which you considered done by Mexicans, received. I doubt Mexicans crossed to do this, there being plenty to do it on that side; nor do I think it just to hold authorities of Tamaulipas responsible for assaults perpetrated in another country, whether by Mexicans or not. My government will use means at hand to protect residents, but can't go beyond her limits to protect foreign towns. General Canales and civil officers have taken prompt measures to arrest the offenders who made the assault, notice having arrived of their crossing. I repeat that the acts committed beyond jurisdiction of her officers are no just cause of complaint against this government.

"CANALES."

Above is brief of Treviño's telegram.

ORD,
Brigadier-General.

[First Indorsement.]

ADJUTANT-GENERAL'S OFFICE,
Washington, August 17, 1877.

Respectfully submitted to the Secretary of War, with copy for the Department of State.

E. D. TOWNSEND,
Adjutant-General.

[Telegram.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, Ill., August 15, 1877.

Gen. E. D. TOWNSEND,
Washington, D. C.:

The following dispatch from General Ord is respectfully forwarded.
P. H. SHERIDAN,
Lieutenant-General.

The following received:

"BROWNSVILLE, TEXAS, August 14.

"General ORD,
"San Antonio:

"I deeply regret the incident happening in Davis's ranch. Steps have been and will be taken to prosecute the outlaws. Some of them are residents of the American frontier, and one of the liberated prisoners has relatives fifteen miles from Davis, in a ranch called Encinal Delos Ermos. It may be that the plan was conceived by the Escobeda agents in order to create difficulties between the authorities of both frontiers. One of the released prisoners is a captain of Escobeda's band. Be sure that on our side everything that ought to be done is being done, and that troops have been moved in every direction on the track of the fugitives. I am informed that Escobeda has two encampments in the surroundings of Laredo, Texas.

"GENERAL BENAVIDES."
ORD,
Brigadier-General.

[First indorsement.]

ADJUTANT-GENERAL'S OFFICE,
Washington, August 15, 1877.

Respectfully submitted to the Secretary of War, with copy for the Department of State.

E. D. TOWNSEND,
Adjutant-General.

WAR DEPARTMENT,
Washington City, August 16, 1877.

SIR: I have the honor to transmit for your information a copy of a dispatch received by General Ord from the Mexican General Benavides, relative to the incident at Davis's ranch, and stating that steps have been taken to prosecute the outlaws; that Mexican troops are moving in every direction on the track of the fugitives; that one of the escaped prisoners is a captain in Escobeda's band, and that the plan may have been conceived by Escobeda's agents.

Very respectfully, your obedient servant,

H. T. CROSBY.

Chief Clerk, for, and in the absence of, the Secretary of War.

The honorable the SECRETARY OF STATE.

DEPARTMENT OF STATE,
Washington, August 20, 1877.

SIR: I have the honor to acknowledge the receipt of your communications of the 16th instant in relation to Mexican affairs.

I am, sir, your obedient servant,

F. W. SEWARD,
Acting Secretary.

Hon. GEORGE W. McCrARY,
Secretary of War.

[Telegram.]

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., August 17, 1877.

ADJUTANT-GENERAL, Washington:

Just received from General Sweitzer the following:

"Three of the outlaws were caught last night—Camargo, the leader, and two others; the band consisted of eight, two of which are residents of Texas, five Mexicans, and one nationality unknown. General Benavides feels sure that the balance, including the prisoners, will be caught. Authorities have their names."

ORD,
Brigadier-General.

[First indorsement.]

ADJUTANT-GENERAL'S OFFICE,
Washington, August 18, 1877.

Respectfully submitted to the Secretary of War, with copy for the Department of State.

E. D. TOWNSEND,
Adjutant-General.

WAR DEPARTMENT,
Washington City, August 24, 1877.

SIR: I have the honor to transmit, for your information, copy of a dispatch of the 17th instant, communicating a telegram from General Sweitzer to the effect that Camargo and two other outlaws were caught last night, and the rest of the band, consisting of eight, were expected to be captured soon.

Very respectfully, your obedient servant,

GEO. W. McCrARY,
Secretary of War.

The honorable the SECRETARY OF STATE.

DEPARTMENT OF STATE,
Washington, August 29, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 24th instant, inclosing a copy of a telegram from General Sweitzer,

reporting that Camargo (the leader) and two other outlaws were captured on the night of the 16th.

I am, sir, your obedient servant,

F. W. SEWARD,
Acting Secretary.

Hon. GEORGE W. MCCRARY,
Secretary of War.

[Telegram.]

MATAMORAS, MEXICO, August 15, 1877.

General ORD:

The Citizen General Geronimo Treviño, of date of yesterday, from Cadereyta, directs me to transmit to you the following telegram, which was deposited in Cadereyta on the 14th August, 1877, and received at Matamoras the same day at 5.55 p. m.

"To General CANALES:

"Be kind enough to transmit to General Ord the following:

"GENERAL: By your telegram, dated yesterday, I am informed that the prison at Rio Grande City was carried by assault by bandits; that, according to your idea, they are Mexicans or persons resident in this country. With this object, you will permit me to observe that I do not think it probable that people have passed from Mexico to commit this crime, because in Rio Grande City there is an infinity of persons of different nationalities, and I do not think it just that the authorities of Tamaulipas should be inculpated for assaults perpetrated in another country, even if by Mexicans or persons of another nationality.

"I have told you that the government of my country will use such means as she has at hand to give protection to the residents in Mexican territory, but it will not be possible to take care also and insure the same security to the pueblos of foreign territory.

"General Canales and the civil authorities of Tamaulipas have taken energetic measures to arrest the offenders who made the assault on Rio Grande City. Notice has been received of the crossing of said bandits into Mexico with the object of escaping. For this reason I have communicated with General Canales, and I again repeat to you, that no measures will be omitted to correct these abuses within the jurisdictional limits, but that acts for which the comunal alone is responsible should not furnish a just cause of complaint against Mexico when the crimes are committed beyond the reach of the Mexican authorities.

"GERONIMO TREVIÑO."

This is translated for your information, in compliance with orders received from General Treviño.

SERVANDA CANALES.

[First indorsement.]

ADJUTANT-GENERAL'S OFFICE,
Washington, August 23, 1877.

Respectfully submitted to the Secretary of War, with copy for the Department of State.

E. D. TOWNSEND,
Adjutant-General.

WAR DEPARTMENT,
Washington City, August 25, 1877.

SIR: I have the honor to transmit for your information copy of a dispatch to General Ord from General Geronimo Treviño, in regard to the bandits that liberated the prisoners from the jail at Rio Grande City.

Very respectfully, your obedient servant,

GEO. W. MCCRARY,
Secretary of War.

The honorable the SECRETARY OF STATE.

DEPARTMENT OF STATE,
Washington, August 27, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 25th instant, inclosing copy of a telegram from General Treviño to General Ord, in relation to the bandits who liberated the prisoners from the jail at Rio Grande City.

I am, sir, your obedient servant,

F. W. SEWARD,
Acting Secretary.

Hon. GEORGE W. MCCRARY,
Secretary of War.

[Telegram.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, Ill., August 21, 1877.

General E. D. TOWNSEND,
Washington, D. C.:

The Mexican General Benavides telegraphs General Ord under this date, as follows: "Rudolpho Espronceda, one of the prisoners released by the brigands, was caught on the 17th in Guerero."

P. H. SHERIDAN,
Lieutenant-General.

[First indorsement.]

ADJUTANT-GENERAL'S OFFICE,
Washington, August 22, 1877.

Respectfully submitted to the Secretary of War, with copy for the Department of State.

E. D. TOWNSEND,
Adjutant-General.

WAR DEPARTMENT,
Washington City, August 22, 1877.

SIR: I have the honor to transmit, for your information, copy of a dispatch from General Sheridan, communicating a telegram from the Mexican General Benavides, to the effect that Rudolpho Espronceda, one of the prisoners released by the brigands, was caught on the 17th, at Querero.

Very respectfully, your obedient servant,

GEO. W. MCCRARY,
Secretary of War.

The honorable the SECRETARY OF STATE.

H. Ex. 13—8

DEPARTMENT OF STATE,
Washington, August 25, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 2d instant, inclosing a copy of a telegram announcing the capture at Querero of one of the prisoners released by brigands.

I am, sir, your obedient servant,

F. W. SEWARD,
Acting Secretary.

Hon. GEORGE W. MCCRARY,
Secretary of War.

[Telegram.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, Ill., September 12, 1877.

General E. D. TOWNSEND,
Washington, D. C.:

General Ord, under this date, reports that three of the parties concerned in the Rio Grande jail-breaking were delivered last night to the United States authorities at Brownsville, under the extradition treaty.

P. H. SHERIDAN,
Lieutenant-General.

[First indorsement.]

ADJUTANT-GENERAL'S OFFICE,
Washington, September 13, 1877.

Respectfully submitted to the Secretary of War, with copy for the Secretary of State.

E. D. TOWNSEND,
Adjutant-General.

WAR DEPARTMENT,
Washington City, September 14, 1877.

SIR: I have the honor to transmit, for your information, copy of a dispatch of the 12th instant from General Sheridan, communicating a report of General Ord that three of the party concerned in the jail-breaking at Rio Grande were delivered last night to the United States authorities at Brownsville, under the extradition treaty.

Very respectfully, your obedient servant,

H. T. CROSBY,
Chief Clerk, for the Secretary of War, in his absence.
The honorable the SECRETARY OF STATE.

DEPARTMENT OF STATE,
Washington, September 18, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 14th instant, with its accompaniment, informing me that three of the parties concerned in the jail-breaking at Rio Grande have been de-

livered to the United States authorities at Brownsville, under the extradition treaty.

I have the honor to be, sir, your obedient servant,

F. W. SEWARD,
Acting Secretary.

Hon. GEORGE W. MCCRARY,
Secretary of War.

C.

DISTURBANCES AT SAN ELIZARIO, EL PASO COUNTY, TEXAS.

EL PASO, TEX., August 17, 1877.

SIR: I have the honor to report everything quiet here since my communication of the 8th instant. The attack anticipated by the Mexican authorities on the 10th instant did not take place. The official notice of the arrest of Lerdo leaders on the Lower Rio Grande, has had a salutary effect on Lerdo's followers in this vicinity. It is my firm belief that all danger is over from any formidable organization for the invasion of Mexico from this side of the river.

Very respectfully, your obedient servant,

L. H. RUCKER,
*First Lieutenant, Regimental Quartermaster
Ninth Cavalry, and Military Commander.*

ACTING ASSISTANT ADJUTANT-GENERAL,
District of New Mexico, Santa Fé, N. Mex.

[Translation.]

[SEAL.]

At the conference to which you kindly invited me on the 8th instant, I advised you that there would be a reunion in the Hueca Mountains, and that an attack would certainly be made on the people there on the 10th; but as that day passed without any such occurrence, I sent to learn the actual condition of affairs. Three days ago I received information that the movement had been abandoned on account of the promptness with which the inhabitants armed and placed themselves in a state of defense, and more particularly on account of the moral effect of the presence of the troops under your command, which is shown by the fact that many of the refugees of this frontier have returned, and they have been allowed to go to their homes, giving good security that they will not again take up arms or break the public peace. I inform you of this that there may be no misunderstanding in regard to my notice to you, which might happen by persons not acquainted with the circumstances.

I offer you herewith my respect and consideration.

Liberty in the Constitution.

VINCENTE OCHOA.

F. BARRUN, *Secretary.*

Citizen Captain L. H. RUCKER,
*First Lieutenant and Regimental Quartermaster,
Ninth Cavalry, Franklin, Tex.*

EL PASO, TEX., *August 23, 1877.*

SIR: I have the honor to report everything quiet here since my communication of the 17th instant. It is generally believed that the few followers of Machono who were known to have remained in this vicinity have left the country for good.

Very respectfully, your obedient servant,

L. H. RUCKER,

First Lieutenant, Regimental Quartermaster, Ninth Cavalry.

ACTING ASSISTANT ADJUTANT-GENERAL,

District of New Mexico, Santa Fé, N. Mex.

[Indorsement.]

HEADQUARTERS DISTRICT OF NEW MEXICO,

Santa Fé, N. Mex., September 5, 1877.

Respectfully forwarded to the assistant adjutant-general, Department of the Missouri.

Matters seem quiet enough at El Paso. The appearance of the troops, impressing the certainty of capture of parties in attempted raid in the Lerdo interest, has so alarmed them that they have left the country, or given up all hope of Lerdo's success.

It will be well to keep an officer at El Paso, however, for some months to come.

EDWARD HATCH,

Colonel Ninth Cavalry, Commanding.

HEADQUARTERS DEPARTMENT OF THE MISSOURI,

Fort Leavenworth, Kans., September 13, 1877.

Respectfully forwarded to the Adjutant-General of the Army, through headquarters Military Division of the Missouri, for the information of higher authority.

JNO. POPE,

Brevet Major-General, U. S. A., Commanding.

HEADQUARTERS MILITARY DIVISION MISSOURI,

Chicago, September 17, 1877.

Respectfully forwarded to the Adjutant-General of the Army, inviting attention to Lieutenant Rucker's report.

P. H. SHERIDAN,

Lieutenant-General Commanding.

ADJUTANT-GENERAL'S OFFICE,

Washington, September 21, 1877.

Respectfully submitted to the Secretary of War with copy for the Department of State.

E. D. TOWNSEND,

Adjutant General.

WAR DEPARTMENT,

Washington City, September 22, 1877.

SIR: I have the honor to transmit for your information a copy of a report from Lieut. L. H. Rucker, Ninth Cavalry, dated El Paso, Tex.,

that matters are quiet at that place, and that it is his opinion that the followers of Machono have left the country for good.

Very respectfully, your obedient servant,

GEO. W. MCCRARY,
Secretary of War.

Hon. SECRETARY OF STATE.

EL PASO, TEX., August 27, 1877.

SIR: I have the honor to report everything quiet here since my communication of the 23d instant.

Very respectfully, your obedient servant,

L. H. RUCKER,
First Lieutenant, Regimental Quartermaster, Ninth Cavalry.
ACTING ASSISTANT ADJUTANT-GENERAL,
District of New Mexico, Santa Fé, N. Mex.

HEADQUARTERS DISTRICT OF NEW MEXICO,
Santa Fé, N. Mex., September 7, 1877.

Respectfully forwarded to the Assistant Adjutant-General, Department of the Missouri.

EDWARD HATCH,
Colonel Ninth Cavalry, Commanding.

HEADQUARTERS DEPARTMENT OF THE MISSOURI,
Fort Leavenworth, Kans., September 14, 1877.

Respectfully forwarded to the Adjutant-General of the Army through headquarters Military Division of the Missouri for the information of higher authority.

JNO. POPE,
Bvt. Major General U. S. A., Commanding.

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, September 18, 1877.

Respectfully forwarded to the Adjutant-General of the Army.

P. H. SHERIDAN,
Lieutenant-General Commanding.

ADJUTANT-GENERAL'S OFFICE,
Washington, September 24, 1877.

Respectfully submitted to the Secretary of War with copy for the Department of State.

E. D. TOWNSEND,
Adjutant-General.

WAR DEPARTMENT,
Washington City, September 25, 1877.

SIR: I have the honor to transmit for your information a copy of a report from Lieut. L. H. Rucker, Ninth Cavalry, under date of 27th ultimo, that everything has been quiet at El Paso, Tex., since his previous report dated August 23 last.

Very respectfully, your obedient servant,

GEO. W. MCCRARY,
Secretary of War.

Hon. SECRETARY OF STATE.

EL PASO, TEX., *September 8, 1877.*

SIR: I have the honor to report everything quiet here since my communication of the 3d instant.

Very respectfully, your obedient servant,

L. H. RUCKER,

First Lieutenant and Regimental Quartermaster, Ninth Cavalry.

ACTING ASSISTANT ADJUTANT-GENERAL,

District of New Mexico, Santa Fé, N. Mex.

[Indorsements.]

HEADQUARTERS DISTRICT OF NEW MEXICO,

Santa Fé, N. Mex., September 14, 1877.

Respectfully forwarded to the Assistant Adjutant-General, Department of the Missouri.

EDWARD HATCH,

Colonel Ninth Cavalry, Commanding.

HEADQUARTERS DEPARTMENT OF THE MISSOURI,

Fort Leavenworth, Kans., September 24, 1877.

Respectfully forwarded to the Adjutant-General of the Army through headquarters Military Division of the Missouri for the information of higher authority.

JNO. POPE,

Bvt. Major-General U. S. A., Commanding.

HEADQUARTERS MILITARY DIVISION MISSOURI,

Chicago, September 27, 1877.

Respectfully forwarded to the Adjutant-General of the Army for the information of the War Department.

P. H. SHERIDAN,

Lieutenant-General Commanding.

ADJUTANT-GENERAL'S OFFICE,

Washington, October 2, 1877.

Respectfully submitted to the Secretary of War with copy for the Department of State.

E. D. TOWNSEND,

Adjutant-General.

WAR DEPARTMENT,

Washington City, October 4, 1877.

SIR: I have the honor to transmit for your information a copy of a report dated the 8th ultimo from Lieut. L. H. Rucker, Ninth Cavalry, reporting everything quiet at El Paso, Tex., since his last report dated September 3d last.

Very respectfully, your obedient servant,

GEO. W. McCRARY,

Secretary of War.

HON. SECRETARY OF STATE.

[Telegram.]

CHICAGO, ILL., October 5, 1877.

(Received War Department 5 p. m.)

General E. D. TOWNSEND,
Washington:

Lieutenant Rucker, from El Paso, N. Mex., telegraphs that a mob of three hundred have placed several citizens at San Elizario under arrest, and asks for troops to be sent to El Paso and San Elizario. The only available troops we have to send are thirty cavalrymen, out as a guard to surveyors. These have been ordered to Lieutenant Rucker, who had previously been ordered to San Elizario to ascertain about troubles there.

P. H. SHERIDAN,
Lieutenant-General.

WAR DEPARTMENT,
Washington City, October 6, 1877.

SIR: I have the honor to transmit, for your information, a copy of a telegram from Lieutenant-General Sheridan, dated the 5th instant, stating that Lieutenant Rucker, from El Paso, N. Mex., telegraphs that a mob of three hundred have placed several citizens of San Elizario under arrest, and asks that troops be sent to El Paso.

Very respectfully, your obedient servant,

GEO. W. McCRARY,
Secretary of War.

The honorable the SECRETARY OF STATE.

DEPARTMENT OF STATE,
Washington, October 12, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 6th instant, inclosing a copy of a telegram from Lieutenant-General Sheridan, in relation to several citizens of San Elizario having been placed under arrest by a mob of three hundred persons.

I am, sir, your obedient servant,

WM. M. EVARTS.

Hon. GEORGE W. McCRARY,
Secretary of War.

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, Ill., October 7, 1877.

General E. D. TOWNSEND,
Washington, D. C.:

The following dispatch, forwarded by Colonel Andrews from Fort Davis, was received last night from General Ord. Lieutenant Rucker, at El Paso, some days ago reported the troubles at San Elizario, and was ordered by me to report on the disturbances. Subsequently, I gave an order to send thirty cavalrymen, that were escorting a surveying party, to strengthen him. The trouble is with our own population, and about

the location of the lands on which there are salt lakes. I have no reason to believe that any citizens of Mexico have taken part in the troubles, but the population of El Paso County is mostly composed of citizens of Mexican birth.

P. H. SHERIDAN,
Lieutenant-General.

"FORT DAVIS, TEXAS,
"October 4, 1877.

"ADJUTANT-GENERAL DEPARTMENT OF TEXAS:

"Requested by Judge Blacker to send the following: The Mexican population of El Paso County have risen *en masse*, seized all the civil authorities, Judges Howard and McBride, and hold all of them prisoners under guard and in jail. Rioters number about four hundred under arms. Have scouts and pickets out and sentinels posted; seem to be well organized. All the Americans in the county, numbering about thirty, in peril of their lives. No American is allowed to communicate with the prisoners. The rioters are expecting aid from volunteers from Mexican side of Rio Grande. The trouble from Zimpelman having located the salt lakes and through Howard prohibited getting salt without permission. Later: The sheriff has escaped. Colonel Hatch is expected in El Paso. The call is for at least two companies, with artillery. I have at this post, all told, one hundred and twenty-three fighting men. I think Louis Cardiz is behind all.

G. L. ANDREWS,
Colonel Commanding.

[Indorsement.]

ADJUTANT-GENERAL'S OFFICE,
Washington, October 8, 1877.

Respectfully submitted to the Secretary of War with copy for the Department of State.

E. D. TOWNSEND,
Adjutant-General.

WAR DEPARTMENT,
Washington, October 9, 1877.

SIR: I have the honor to transmit for your information a copy of a telegram from Lieutenant-General Sheridan, communicating a telegram from Col. G. L. Andrews in relation to the riotous conduct of the Mexican population of El Paso County, Texas.

Very respectfully, your obedient servant,

GEO. W. McCRARY,
Secretary of War.

The honorable the SECRETARY OF STATE.

[Telegram.]

FORT LEAVENWORTH, KANSAS,
October 4, 1877.

ASSISTANT ADJUTANT-GENERAL,
Headquarters Military Division Missouri, Chicago:

Following received by telegraph from General Ord:

"General B. C. Ludlow, banker, Austin, reliable Union officer, telegraphs that just received telegram of kidnaping on our side, by force of armed Mexicans, of Charles Howard, American gentleman, who was

taken to San Elizario, disarmed, and kept there under guard four hours. Howard was formerly district judge of El Paso. As I have no troops nearer than Fort Davis, send this for your action, and have so answered.

"ORD,

"Brigadier-General."

The above is transmitted for any order the Lieutenant-General may desire to give. There are no troops in this department stationed anywhere near the locality named, nor can any be sent without great delay.

In absence of brigadier-general commanding,

PLATT,

Assistant Adjutant-General.

[Telegram.]

HEADQUARTERS MILITARY DIVISION MISSOURI,
Chicago, October 4, 1877.

COMMANDING GENERAL

Department Missouri, Fort Leavenworth, Kansas :

Referring to your telegram of this date forwarding dispatch of General Ord in regard to the kidnaping of Mr. Howard at San Elizario, the Lieutenant-General has no directions to give, except that it would be well to have Lieutenant Rucker or some other officer in that vicinity make a report of the facts in the case. If any injustice has been done Mr. Howard, he will have to make his complaint to the State Department.

M. V. SHERIDAN,

Lieutenant-Colonel and A. D. C.

HEADQUARTERS MILITARY DIVISION MISSOURI,
Chicago, October 5, 1877.

Respectfully forwarded to the Adjutant-General of the Army.

P. H. SHERIDAN,

Lieutenant-General Commanding.

ADJUTANT-GENERAL'S OFFICE,
Washington, October 9, 1877.

Respectfully submitted to the Secretary of War, with copy for the Department of State.

E. D. TOWNSEND,

Adjutant-General.

WAR DEPARTMENT,
Washington City, October 12, 1877.

SIR: I have the honor to transmit for your information a copy of a telegram from General Ord, reporting the kidnaping of one Charles Howard, an American gentleman, by armed Mexicans, and his imprisonment at San Elizario for four hours.

Very respectfully, your obedient servant,

GEO. W. McCRARY,

Secretary of War.

Hon. SECRETARY OF STATE.

EL PASO, TEX., *September 27, 1877.*

SIR: I have the honor to report everything quiet here since my communication of the 22d instant.

Very respectfully, your obedient servant,

L. H. RUCKER,

First Lieutenant, Regimental Quartermaster Ninth Cavalry.

ACTING ASSISTANT ADJUTANT-GENERAL,

District of New Mexico, Santa Fé, N. Mex.

[Indorsements.]

HEADQUARTERS DISTRICT OF NEW MEXICO,

Santa Fé, N. Mex., October 5, 1877.

Respectfully forwarded to the assistant adjutant-general, Department of the Missouri.

In absence of Colonel Hatch.

JOHN S. LOUD,

Acting Assistant Adjutant-General.

HEADQUARTERS DEPARTMENT OF THE MISSOURI,

Fort Leavenworth, Kansas, October 11, 1877.

Respectfully forwarded to the Adjutant-General of the Army, through headquarters Military Division of the Missouri, for the information of higher authority.

JNO. POPE,

Bvt. Major-General U. S. A., Commanding.

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,

Chicago, October 15, 1877.

Respectfully forwarded to the Adjutant-General of the Army.

P. H. SHERIDAN,

Lieutenant-General, Commanding.

ADJUTANT-GENERAL'S OFFICE,

Washington, October 18, 1877.

Respectfully submitted to the Secretary of War, with copy for the Department of State.

E. D. TOWNSEND,

Adjutant-General.

WAR DEPARTMENT,

Washington City, October 19, 1877.

SIR: I have the honor to transmit copy of a communication from Lieut. L. H. Rucker, dated the 27th ultimo, reporting everything quiet at El Paso, Tex., since September 22.

Very respectfully, your obedient servant,

GEO. W. MCCRARY,

Secretary of War.

HON. SECRETARY OF STATE.

[Telegram.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, Ill., October 13, 1877.

General E. D. TOWNSEND,
Washington, D. C.:

The following just received from General Pope:

"Lieutenant Rucker telegraphs from San Elizario on 9th: 'Arrived here with detachment last evening. Mob dispersed to-day; everything quiet. Have had two meetings with members of mob; they will allow the law to take its course.' On the 11th he telegraphs from El Paso: 'Returned to-day; everything quiet at San Elizario this morning. Considerable excitement here caused by killing of Cardis by Howard yesterday. Don't anticipate any serious trouble.'"

P. H. SHERIDAN,
Lieutenant-General.

[Indorsement.]

ADJUTANT-GENERAL'S OFFICE,
Washington, October 15, 1877.

Respectfully submitted to the Secretary of War, with copy for the Department of State.

E. D. TOWNSEND,
Adjutant-General.

WAR DEPARTMENT,
Washington City, October 16, 1877.

SIR: I have the honor to transmit for your information a copy of a telegram from Lieutenant-General Sheridan, communicating a dispatch from General Pope regarding troubles in El Paso County, and the killing of Cardis by Howard.

Very respectfully, your obedient servant,

GEO. W. McCRARY,
Secretary of War.

Hon. SECRETARY OF STATE.

DEPARTMENT OF STATE,
Washington, October 20, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 16th instant, inclosing a copy of a telegram from Lieutenant-General Sheridan, communicating a dispatch from General Pope in regard to troubles in El Paso County, and the killing of Cardis by Howard.

I am, sir, your obedient servant,

WM. M. EVARTS.

Hon. GEORGE W. McCRARY,
Secretary of War.

[Telegram.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, Ill., October 15, 1877.

General E. D. TOWNSEND,
Washington, D. C.:

The following telegram has been received from General Pope:

"The difficulties at El Paso and San Elizario are entirely between citizens of the State of Texas, Mexican and American, and I have instructed

Lieutenant Rucker not to interfere with them, except to prevent inroads from Mexican side."

P. H. SHERIDAN,
Lieutenant-General.

[Telegram.]

ADJUTANT-GENERAL'S OFFICE,
Washington, October 18, 1877.

Lieutenant-General P. H. SHERIDAN,
Commanding Division Missouri, Chicago, Ill.:

State Department asks Secretary of War for more definite information than that heretofore furnished on the following points: Was the kidnaping by armed Mexicans of Charles Howard, an American citizen, perpetrated by an armed force coming across the boundary-line, or by Mexicans residing on this side? Did the affair take place in Elizario, Mexico, or in the American town of that name?

E. D. TOWNSEND,
Adjutant-General.

[Telegram.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, Ill., October 18, 1877.

General E. D. TOWNSEND,
Washington, D. C.:

Your telegram of this date received. No report of the circumstances attending the kidnaping of Charles Howard or his imprisonment has yet reached these headquarters, but it is more than likely it is *en route*, as an officer was sent to ascertain the facts. I will without delay direct General Pope to procure such information as will answer the questions in your dispatch.

P. H. SHERIDAN,
Lieutenant-General.

WAR DEPARTMENT,
Washington City, October 19, 1877.

SIR: I have the honor to transmit, for your information, copy of a telegram to General Sheridan, asking for definite information in regard to the arrest and confinement of Charles Howard, at San Elizario, and of General Sheridan's telegram in reply thereto.

Very respectfully, your obedient servant,

GEORGE W. McCRARY,
Secretary of War.

The honorable the SECRETARY OF STATE.

[Telegram.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, Ill., October 18, 1877.

General E. D. TOWNSEND,
Washington, D. C.:

General Pope reports that Lieutenant Rucker telegraphs from El Paso on 12th: "Everything quiet at San Elizario and this place. Do not

anticipate further trouble until civil authorities attempt to arrest persons engaged in last riot."

P. H. SHERIDAN,
Lieutenant-General.

[Indorsement.]

ADJUTANT-GENERAL'S OFFICE,
Washington, October 18, 1877.

Respectfully submitted to the Secretary of War, with copy for the Department of State.

E. D. TOWNSEND,
Adjutant-General.

WAR DEPARTMENT,
Washington City, October 19, 1877.

SIR: I have the honor to transmit for your information a copy of a telegram from Lieutenant Rucker, dated 12th instant, reporting everything quiet at San Elizario and El Paso.

Very respectfully, your obedient servant,

GEO. W. McCRARY,
Secretary of War.

The honorable the SECRETARY OF STATE.

[Telegram.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, Ill., October 21, 1877.

General E. D. TOWNSEND,
Washington, D. C.:

The following dispatch, just received from General Pope, is respectfully forwarded:

"Colonel Hatch, commanding in New Mexico, telegraphs as follows:

"The arrest of Charles Howard was perpetrated by armed Mexicans residing on this side, assisted by Mexicans from Mexico. Mr. Howard was imprisoned at San Elizario, Tex., and was sentenced to be shot by mob, but was finally released by mob. The affair took place in the American town of San Elizario, Tex., and grew out of trouble about location of salt lakes in El Paso County, Texas, in which Mexicans from both sides were interested. As heretofore reported, Lieutenant Rucker is instructed to abstain from interference in local disturbances, but to prevent any interference by Mexicans from the other side of the river, and to see that United States officials are not interfered with in discharge of their appropriate duties."

"JOHN POPE,
Brevet Major-General Commanding."

P. H. SHERIDAN,
Lieutenant-General.

WAR DEPARTMENT,
Washington City, October 22, 1877.

SIR: I have the honor to transmit for your information a copy of telegram from Lieutenant-General Sheridan, communicating information

received from Colonel Hatch as to the circumstances under which Mr. Charles Howard was arrested.

Very respectfully, your obedient servant,

GEO. W. McCRARY,
Secretary of War.

The honorable the SECRETARY OF STATE.

DEPARTMENT OF STATE,
Washington, October 26, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 22d instant, with an inclosure relative to the circumstances under which Mr. Charles Howard was arrested at San Elizario.

I am, sir, your obedient servant,

WM. M. EVARTS.

HON. GEORGE W. McCRARY,
Secretary of War.

EL PASO, TEX., *October 4, 1877.*

SIR: I have the honor to report that, in order to satisfy myself concerning the various rumors that were constantly being received here relative to the riot at San Elizario, I visited Ysleta and started for San Elizario yesterday, in company with a citizen. On our arrival in Ysleta we were advised by the citizens not to proceed any farther, as the rioters were greatly excited and had threatened to kill the Americans; that our arrival there would cause the death of Judge Howard, who they still held prisoner. Being anxious to learn the exact state of affairs, that my reports might be authentic, we proceeded under the protection of their priest. On our arriving in the outskirts of San Elizario, we met a party of twenty armed Mexicans escorting Judge Howard to a place of safety. Howard, and the priest who was with him, advised me not to go any farther, as our lives would be in danger. Acting on this advice we returned to Ysleta, and thence to this place, bringing Judge Howard with us. The mob here compelled the county judge and justices of the peace to resign, and only spared Judge Howard's life on condition of his signing papers to the effect that he would not prosecute any of the rioters, giving them the free use of salt lakes, and that he would leave the county forever within twenty-four hours. I am convinced, from what I could hear at Ysleta and what I saw of the mob, that every American in the county would have been killed had not their terms in Howard's case been complied with. I did not see over forty armed Mexicans, but am informed that they numbered about three hundred and fifty. They appear to be well organized, and had been preparing for this event for some time; yet their meetings were so secretly conducted that the civil authorities did not know anything about their movements.

I am also informed that the rioters were joined by nearly one hundred Mexicans from Mexico. The sheriff and deputy United States marshal are both here; they will not return until a sufficient force is raised to insure the dispersement of the mob.

I am satisfied from personal observation that the presence of troops is necessary here, to protect life and property, and believe that in case

this mob is not put down by force, the Mexicans will either kill or drive every American out of the country.

Very respectfully, your obedient servant,

L. H. RUCKER,

First Lieut., R. Q. M., Ninth Cavalry.

ACTING ASSISTANT ADJUTANT-GENERAL,

District of New Mexico, Santa Fé, N. Mex.

[First indorsement.]

HEADQUARTERS DISTRICT OF NEW MEXICO,

Santa Fé, N. Mex., October 11, 1877.

Respectfully forwarded to the assistant adjutant-general, Department of the Missouri.

The tenor of this communication suggests that the lives of English-speaking American citizens of the State of Texas are not safe in North-western Texas, near the Rio Grande.

This is properly a matter for the State of Texas and is not in the hands of United States troops, and seems to indicate that the domiciles of those known as Americans are only safe under the protection of troops.

These troubles have occurred since removal of the garrison from El Paso and Quitman, by department commander of Texas. Attention invited to Lieutenant Rucker's report of October 2, 1877, herewith.

EDWARD HATCH,

Colonel Ninth Cavalry, Commanding.

EL PASO, TEX., *October 2, 1877.*

SIR: I have the honor to report that on the night of the 30th ultimo, a party of about twenty-five armed Mexicans, residents of San Elizario and Ysleta, this county, surrounded the house of the sheriff and forcibly took from his custody two citizens, C. H. Howard and J. E. McBride, who had taken refuge therein for self-protection, at the same time placing the sheriff and county clerk under guard. They have also arrested the county judge, Gregorio Garcia, and justice of the peace of San Elizario, Porfirio Garcia; all of the above named are now in the custody of the mob, and are confined in jail. This morning, as the collector of customs was *en route* to his office, he was warned not to go, as the mob were after him; he is now here for safety. The sheriff, Charles Kerber, and Deputy United States Marshal W. B. Blanchard, are also here, being afraid to return to their homes, and state they are unable to disperse or arrest the rioters, or release the prisoners already in the hands of the mob.

The sheriff also states that the prisoners are held without authority of law, and that the mob gives no reasons for their arrest and detention, and under the circumstances calls on the military for sufficient force to disperse the mob and preserve the peace; and that there are not enough Americans living in the county to form a force sufficient for the purpose. The Mexicans who are not with the rioters sympathise with them, and cannot be relied upon nor obey his summons to act as a posse. It is now reported that the mob numbers over three hundred, and have sent to El Paso, Mexico, for aid. The citizens fear that serious trouble will ensue if the riot is not put down by force of arms.

Very respectfully, your obedient servant,

L. H. RUCKER,

First Lieut., R. Q. M., Ninth Cavalry.

ACTING ASSISTANT ADJUTANT-GENERAL,

District of New Mexico, Santa Fé, N. Mex.

[Second indorsement.]

HEADQUARTERS, DEPARTMENT OF THE MISSOURI,
Fort Leavenworth, Kans, October 18, 1877.

Respectfully forwarded through headquarters Military Division of the Missouri, for the information of higher authority.

Lieutenant Rucker has been directed to limit his interference to preventing inroads of armed bodies from Mexico, and to seeing that the United States officials are not interfered with in the discharge of their proper duties.

JNO. POPE,
Brevet Major-General, Commanding.

[Third indorsement.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, October 23, 1877.

Respectfully forwarded to the Adjutant-General of the Army.

P. H. SHERIDAN,
Lieutenant-General, Commanding.

[Telegram.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, Ill., October 27, 1877.

General E. D. TOWNSEND, *Washington, D. C. :*

The following telegram from General Pope, of yesterday, is respectfully forwarded:

"Commanding officer district of New Mexico reports on 21st Lieutenant Rucker telegraphs from El Paso: Everything quiet here. Citizens San Elizario and Ysleta still fear another outbreak by the mob. I do not believe there is any immediate danger. On 23d and 24th he reports everything quiet here."

P. H. SHERIDAN,
Lieutenant-General.

EL PASO, TEX., *October 11, 1877.*

SIR: I have the honor to report, in compliance with your telegraphic instructions of the 5th instant, I arrived at San Elizario on the evening of the 8th instant, and, after a careful investigation, find the cause of the late riot to be the result of a misunderstanding on the part of the ignorant Mexicans regarding the location last July of the salt lakes in this county, by a firm in Austin, Tex. These lakes have for generations been considered public property, and when their crops failed it has been customary for the people to go to the lakes, get a load of salt, take it to Chihuahua, and trade it off for provisions. Since its location, they have been notified by the company's agent here, C. H. Howard, not to take any salt without his permission. Being very ignorant, they cannot understand why they are deprived of this means of subsistence.

In my opinion the immediate cause of the riot was the prosecution by Mr. Howard of two Mexicans, on the twenty-ninth of last month, who

were arrested and required to give bonds for merely signifying their intention of going to the lakes and getting salt. This being considered by the Mexicans as a persecution, they resisted the local civil authorities, which resulted in a general riot. I will here state, from reliable information, that several persons of intelligence living in this county have advised the Mexicans that the lakes were public property; that they had a right to take all the salt they required, and that they (the parties who instilled their belief into the Mexican minds) would stand by them and see that the authorities did not interfere; in fact, assume all responsibility in case of trouble. When the trouble assumed a serious aspect, these parties failed to fulfill their promises, and the Mexicans, finding they were doing wrong, did not know how to get out of the scrape. The fact of the matter is, the Mexicans had been lied to to such an extent they did not know who or what to believe, and the most ignorant of them thought the best way of settling the matter was to drive the Americans out of the country.

The mob consisted of about four hundred armed men, composed of Mexicans living in this country and about fifty from the other side of the river. The rioters had not fully dispersed on my arrival at San Elizario; some were for fighting the troops; the more timid were averse to any resistance, and they all fled to the woods on our approach.

On the 9th instant I succeeded, after two conferences with some of the leaders, in quieting their fears of arrest, and advised them to break up their organization, which they at once agreed to. On the 10th instant I was invited to a "junta" of the leading spirits of the mob. They informed me that they had acted on the advice given them the day before; that the people would let the law take its course; that they had reinstated the deposed county officials, and that all trouble had ceased.

I believe the Mexicans will keep their word, but anticipate trouble when the civil authorities attempt to arrest any of the rioters, without the presence of troops in the vicinity.

During the seven days that the mob was in existence, no blood was shed, or any acts of violence committed, except threatening the lives of Americans. A "prestimo" was considered; they even went so far as to make out a list of assessments, but none were levied. The comparatively peaceful termination of the riot is mainly due to the untiring efforts of the Rev. Bongardo, Catholic priest at San Elizario. The presence of troops had a salutary effect in quieting the fears of the citizens. The priest informed me his influence over the mob was exhausted.

Very respectfully, your obedient servant,

L. H. RUCKER,

First Lieutenant, R. Q. M., Ninth Cavalry.

ACTING ASSISTANT ADJUTANT-GENERAL

District New Mexico, Santa Fé, N. Mex.

[First indorsement.]

HEADQUARTERS DISTRICT OF NEW MEXICO,

Santa Fé, N. Mex., October 17, 1877.

Respectfully forwarded to the assistant adjutant-general Department of the Missouri.

In absence of Colonel Hatch—

JOHN S. LOUD,

First Lieutenant and Adjutant Ninth Cavalry, A. A. A. G.

H. Ex. 13—9

[Second indorsement.]

HEADQUARTERS DEPARTMENT OF THE MISSOURI,
Fort Leavenworth, Kans., October 24, 1877.

Respectfully forwarded to the assistant adjutant-general headquarters Military Division of the Missouri.

The "Mexicans" mentioned by Lieutenant Rucker (except those he speaks of as "about fifty from the other side of the river") are citizens of the State of Texas. The salt lakes or springs referred to are also within that State. I would desire to know whether the government wishes the United States troops to intervene in any manner in these local difficulties in the State of Texas; and, if so, to ask that orders to that effect be sent me. At present, Lieutenant Rucker is under orders from me to interfere in no manner except to prevent invasion of Mexicans from Mexico, and to protect the United States officials from violence in the execution of their proper duties.

JNO. POPE,
Brevet Major-General United States Army, Commanding.

[Third indorsement.]

HEADQUARTERS MILITARY DIVISION MISSOURI,
Chicago, October 29, 1877.

Respectfully forwarded to the Adjutant-General of the Army, inviting attention to the remarks of Brigadier-General Pope hereon.

P. H. SHERIDAN,
Lieutenant-General Commanding.

CUSTOM-HOUSE, EL PASO, TEX.,
Collector's Office, October 15, 1877.

SIR: I inclose you herewith the expression of the people of El Paso County for your kindness in doing what was in your power to extricate us from a very critical position.

So far as I was personally concerned I had nothing to fear, but a report had been put in circulation that there was \$40,000 in the custom-house, and the mob said they were going to have it. Although this report was false so far as the \$40,000 was concerned, it is thought that if troops had not arrived here at the time they did the mob would have taken the custom-house and probably two or three mercantile establishments.

Captain Rucker, whom you charged to investigate the affairs at San Elizario, deserves great credit for his caution and prudence. There were no civil officers in the county; some had fled to Mexico, some imprisoned, and others had come to El Paso for protection. There was not a civil officer in the county that dared to attempt to execute the functions of his office. The entire American population of El Paso County commend Captain Rucker's gentlemanly, quiet, and prudent course in this matter. He could not have done less. The Mexicans respect and have confidence in him, and believe what he tells them. He has shunned all connection with civil affairs, and been over-careful not to be drawn into a semblance of sympathy. He has been staying with me ever since he has been here, and I know his opinions, which coincide with my own,

upon questions of this nature, and I feel the fullest confidence in his prudence and ability.

I am, very respectfully,

S. C. SLADE,
Collector.

General EDWARD HATCH, U. S. A.,
Santa Fé, N. Mex.

[First indorsement.]

HEADQUARTERS DISTRICT OF NEW MEXICO,
Santa Fé, October 23, 1877.

Respectfully forwarded to the assistant adjutant-general, Department of the Missouri.

EDWARD HATCH,
Colonel Ninth Cavalry, Commanding.

[Second indorsement.]

HEADQUARTERS DEPARTMENT OF THE MISSOURI,
Fort Leavenworth, Kans., October 31, 1877.

Official copy. Respectfully forwarded to the Adjutant-General of the Army, through headquarters Military Division of the Missouri, for the information of higher authority.

JOHN POPE,
Brevet Major-General U. S. A., Commanding.

Official:

R. C. DRUM,
Assistant Adjutant-General.

[First indorsement.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, November 3, 1877.

Respectfully forwarded to the Adjutant-General of the Army.

P. H. SHERIDAN,
Lieutenant-General, Commanding.

[Telegram.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, Ill., November 2, 1877.

General E. D. TOWNSEND,
Washington, D. C.:

Lieutenant Rucker, Ninth Cavalry, in command at El Paso, reports, under date of 31st ultimo, that everything is quiet at San Elizario.

P. H. SHERIDAN,
Lieutenant-General.

D.

MISCELLANEOUS REPORTS, CORRESPONDENCE, ETC., FROM MARCH 3, TO
JULY 5, 1877.

SAN ANTONIO, TEX.,
March 3, 1877.

A. A. G., *Chicago* :

The following received from Fort Brown: On Sunday, February 25th, Canales entered Matamoras with one thousand men. Cortina has already been arrested by his orders. On Wednesday, February 28th, General Blanco and all his staff left Matamoras, and are now in Brownsville, *en route* to City of Mexico by Morgan steamer. Cortina is in communication, and is now being tried by general court-martial on a number of charges. This day it is expected that Romuelto Cuellar, brother-in-law of Canales, will be proclaimed chief of the Zona Libre by order of Canales.

DEVIN, *Commanding*.

Have asked status of Canales with regard to Diaz.

ORD, *Brigadier-General*.

[First indorsement.]

HEADQUARTERS MILITARY DIVISION MISSOURI,
Chicago, March 5, 1877.

Respectfully forwarded to the Adjutant-General of the Army.
In absence of the Lieutenant-General.

R. O. DRUM,
Assistant Adjutant-General.

[Second indorsement.]

HEADQUARTERS OF THE ARMY,
Washington March 9, 1877.

Respectfully submitted to the Secretary of War, with copy for the
information of the Department of State.

W. T. SHERMAN,
General.

MARCH 12, 1877.

SIR: I have the honor to transmit copy of a communication from General Ord, stating that Colonel Devin reports from Fort Brown, Texas, that Canales, with one thousand men, had entered Matamoras; Cortina was being tried by court-martial, and General Blanco and staff had set out for the City of Mexico via Brownsville; and it is expected Cuellar would be proclaimed chief of the Zona Libre.

Very respectfully, your obedient servant,

GEO. W. McCRARY,
Secretary of War.

Hon. SECRETARY OF STATE.

[Telegram.]

SAN ANTONIO, TEXAS,

*March 5, 1877. (Received at Chicago, March 5, 1877.)*To DRUM, *Chicago* :

Dispatch from Devin indicates that Canales not committed toward Diaz ; working for himself.

ORD, *Brigadier-General.*

[First indorsement.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, March 6, 1877.

Respectfully forwarded to the Adjutant-General of the Army.
In the absence of the Lieutenant-General commanding.

R. C. DRUM,
Assistant Adjutant-General.

[Second indorsement.]

HEADQUARTERS OF THE ARMY,
Washington, March 10, 1877.

Respectfully submitted to the Secretary of War, with copy for the information of the Department of State.

W. T. SHERMAN,
General.

MARCH 13, 1877.

SIR : I have the honor to transmit, for information, a copy of a telegram from General Ord, wherein Colonel Devin reports that Canales is not committed to Diaz, but is working for himself.

Very respectfully, your obedient servant,

GEO. W. MCCRARY,
Secretary of War.

Hon. SECRETARY OF STATE.

HEROIC MATAMORAS, *February 18, 1877.*

SIR : I have the honor to inform you that I have been appointed by the actual government of this republic military commander of the line of the Rio Bravo, and in her name have assumed command of this place.

I shall be very grateful if you will do me the honor to satisfy the desire I entertain to cultivate the most cordial relations with the headquarters now under your dignified command, convinced that it may greatly conduce to the well-being and prosperity of both frontiers.

I respectfully subscribe myself your attentive and obedient servant,
MIGL. BLANCO.

Lieut. Col. THOMAS E. DEVIN, *U. S. Army,*
Commanding Fort Brown, Texas.

A fair translation.

A. M. RAPHALL,
Lieutenant, Eleventh Infantry.

[First indorsement.]

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., March 1, 1877.

Respectfully forwarded through headquarters Military Division of the Missouri for the information of the proper authorities.

E. O. C. ORD,
Brigadier-General U. S. A., Commanding.

[First indorsement.]

HEADQUARTERS MILITARY DIVISION MISSOURI,
Chicago, March 7, 1877.

Respectfully forwarded to the Adjutant-General of the Army.
 In absence of the Lieutenant-General,

R. C. DRUM,
Assistant Adjutant-General.

[Second indorsement.]

HEADQUARTERS OF THE ARMY,
Washington, March 12, 1877.

Respectfully submitted to the Secretary of War, with copy for the information of the Department of State.

W. T. SHERMAN,
General.

[Telegram.]

FORT BROWN, *February 25, 1877.*

TO TAYLOR, A. A. G.,
San Antonio, Tex.:

Cortina was arrested yesterday p. m. by the military authorities of Matamoras, and confined in the military barracks.

DEVIN.

MARCH 14, 1877.

SIR: I have the honor to transmit for your information a copy of a telegram, dated February 25 last, from Colonel Devin, announcing the arrest of Cortina by the military authorities of Matamoras; also a copy of letter from Miguel Blanco, informing Colonel Devin that he has been appointed by the actual Government of Mexico as military commander of the line of the Rio Bravo.

Very respectfully, your obedient servant,

GEO. W. McCORARY,
Secretary of War.

HON. SECRETARY OF STATE.

HEADQUARTERS DISTRICT OF THE NUECES,
Fort Clark, Texas, March 9, 1877.

SIR: I have the honor to report, for the information of the general commanding the department, the following facts in reference to depredations recently committed by marauding parties of Indians and Mexicans from the neighboring republic of Mexico. Since the 1st of October, 1876, there have been killed by parties of Indians, that have been

followed from the scene of the murder to the Rio Grande, 17 men, and the arms and horses taken from the murdered men have been openly offered for sale in the town of Saragossa, Mexico.

Since the 30th day of December, 1876, there have been taken from within ten miles of Fort Clark two large droves of horses, about 100 in all, and at least 300 head of cattle in the two raids. The first party was followed about 150 miles into Mexico to their camp, where nearly a hundred of the cattle had been slaughtered, and the beef was found drying. Unfortunately the approach of the troops was discovered and the Indians fled, and have since then been hovering in the vicinity of the towns, to which they would retreat if attacked. In the two last raids the Indians have kept close to the river, and have recrossed within a few hours. To head these raiders is almost impossible, as they cross at night and are back again before the second night has passed.

Not the slightest attempt is made by the Mexican authorities to control these Indians, they, on the contrary, finding a refuge in the towns when pursued, and a market for their stolen plunder at all times.

Efforts are being made to find out the locality of their camp, and whenever the chance occurs a dash will be made for it. It is, however, only a chance that they are hit, as they are at all times on the alert, and especially so since their camp was struck in July last by the detachment under Lieutenant Bullis.

To prevent, as far as possible, gathering cattle near the river and driving them to Mexico, and also to have companies where they can be put quickly on the trail of Indians who may come out some distance from the river to gather their herd, I have determined to put a company of cavalry in camp on the Rio Grande, half-way between San Felipe and Fort Duncan, and another about ten or fifteen miles below the mouth of the Pecos. No expense will attend this move, as the companies will go out for a month at a time and be supplied from Fort Clark.

To effectually put a stop to the Indian raids from Mexico, it will be necessary to do all scouting for Indians on the Mexican side of the Rio Grande.

There are now none living in Texas, and hunting for little stealing parties of four or five Indians on this side is useless. Full authority to operate in Mexico as we choose is the only way in which life and property can be made secure on this frontier. It is an incontrovertible fact that all the raids are made from Mexico to this side, and none from this to Mexico, and the people who are being robbed and murdered are American citizens.

I am, sir, very respectfully, your obedient servant,

W. R. SHAFTER,

Lieutenant-Colonel Twenty-fourth Infantry, Commanding.

ASSISTANT ADJUTANT-GENERAL,

Department of Texas, San Antonio, Tex.

[First indorsement.]

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., March 13, 1877.

A true copy. Respectfully forwarded to the assistant adjutant-general, Military Division of the Missouri, for the information of the Lieutenant-General commanding.

E. O. C. ORD,
Brigadier-General, Commanding.

[Second indorsement.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, March 19, 1877.

Respectfully forwarded to the Adjutant-General of the Army.

The Rio Grande is a very long and crooked frontier, and it is impossible to prevent Indians coming over from Mexico and committing depredations of the character reported within.

I recommend the Mexican Government be compelled to prevent these hostile incursions.

P. H. SHERIDAN,
Lieutenant-General, Commanding.

[Third indorsement.]

HEADQUARTERS OF THE ARMY,
Washington, March 26, 1877.

Respectfully submitted to the Secretary of War, with copies for the Departments of State and the Interior.

W. T. SHERMAN,
General.

MARCH 28, 1877.

SIR: I have the honor to transmit for your information copy of communication of the 9th instant from Lieutenant-Colonel Shafter, commanding the district of the Nueces, relative to the murder and robbery of American citizens in Texas, by raiding-parties of Mexicans and Indians from beyond the Mexican border.

Very respectfully, your obedient servant,

GEORGE W. MCCRARY,
Secretary of War.

Hon. SECRETARY OF THE INTERIOR.

MARCH 28, 1877.

SIR: I have the honor to transmit for your information copy of a communication of the 9th instant from Lieutenant-Colonel Shafter, commanding the district of the Nueces, relative to the murder and robbery of American citizens in Texas by raiding-parties of Mexicans and Indians from beyond the Mexican border.

Very respectfully, your obedient servant,

GEORGE W. MCCRARY,
Secretary of War.

Hon. SECRETARY OF STATE.

DEPARTMENT OF STATE,
Washington, April 2, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 28th ultimo, with its inclosures, relative to the alleged murder and robbery of American citizens in Texas by raiding-parties of Mexicans and Indians, and in reply, to inform you that the subject shall receive due consideration.

I have the honor to be, sir, your obedient servant,

WILLIAM M. EVARTS.

Hon. GEORGE W. MCCRARY,
Secretary of War.

CONSULATE OF THE UNITED STATES OF AMERICA,
Matamoras, March 9, 1877.

SIR: Referring to my telegram to the department of the 6th of July last, in which I requested that the military authorities at Fort Brown, Texas, might be authorized to interfere to protect lives and property in this city in case Cortina, who was then menacing it with a considerable force, should make an attack, and in consideration of which telegram I presume that the United States gunboat Rio Bravo has remained moored to the river-bank in front of this city since that time, I have now to state that, as the force of Cortina has been disbanded and Cortina himself is a prisoner, under sentence of death, in the hands of the military authorities of this frontier, the further presence of the Rio Bravo at this place has, perhaps, ceased to be necessary.

As the expenses of that vessel are doubtless increased by being at a foreign port, I have to respectfully suggest that the public interests do not, in my opinion, require that the vessel should remain here longer, and perhaps interfere with the more general object for which it was sent to the Rio Grande, which I understand was to co-operate with the United States military force stationed on the Texas border in suppressing cattle-raids across the river.

I am, sir, your obedient servant,

THOMAS F. WILSON.

Hon. WILLIAM HUNTER,
Second Assistant Secretary of State, Washington.

Referred by the Secretary of War to the General of the Army.

[First indorsement.]

HEADQUARTERS OF THE ARMY,
Washington, March 26, 1877.

Respectfully referred to the commanding general Department of Texas, through headquarters Military Division of the Missouri, for his opinion and report; these papers to be returned therewith.

W. T. SHERMAN,
General.

[Second indorsement.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, March 29, 1877.

Respectfully transmitted to the commanding general Department of Texas.

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., April 3, 1877.

SIR: The letter herewith returned of Consul Wilson evidently conveys erroneous impressions.

The gunboat was ordered to Brownsville, and is not nor has been at a foreign port that I am aware of except for a few days. The order was issued sending her to the station at the special request of the general commanding the department, made through the general of division and commanding general to the President, and approved by him, the object being to suppress raiding and have ready facilities for crossing into Mexico, so as to seize stolen property which the so-called authorities

were averse to or unable to recover. The raiding still continues, and the unreliable character of the local as also State authorities is fully as great if not greater than when the department commander applied to have a gunboat stationed at Brownsville.

I visited Matamoras and Brownsville about four months since. General Revueltas, a gentleman and good officer, was then in command at Matamoras, and had been for some six months, but there was a want of harmony and personal good feeling between the consul and the commanding officers both of the army and navy. The military authorities ascribed this to the disposition of the Mexican commander to consult them rather than the consul, and to the fact that at official or formal receptions the consul had not been assigned the first place. The character for sobriety of the commander of the Rio Bravo was such that I examined into this matter with some care, and I came to the conclusion that the interests of the United States would be promoted if both the consul and the present commander of the gunboat at Matamoras could be placed at some other station. (See my telegraphic report in regard to the request of Texas delegates for the release of one John Jay Smith.)

I also recommend that the naval commander there have authority to hire, when a demand should occur for its use, a light-draught steamboat, such a one as can be found at any time lying alongside the Bravo, that boat being too heavy to get up the river except at high water. Then the naval detachment could really be of use in suppressing raiding, and could reach objective points up the river. The gunboats furnished her are also too deep for this purpose.

In connection with this matter, I beg to call the attention of the Secretary of State to the evident and recent change in the demeanor of the local and revolutionary authorities along the Mexican borders adjacent to this department. As long as President Juarez or Lerdo were in authority at the center of Mexico, and when the border State authorities pretended to defer to those central governments, there was some respect and good-will shown to the American agents and military commanders along the Rio Grande; but since the last revolution in Mexico the worst elements seem to have come to the surface, and instead of respect, or cordiality between the local and revolutionary authorities and that of our government, there is often open and undisguised hostility.

The condition of affairs on this frontier is such as to call for serious consideration whether it is not now necessary for this government, for the protection of its citizens along the border, to do something besides act as spectators of the contest between guerrilla leaders for mastery in contiguous States of Mexico. Our citizens are being now plundered more than has been customary by the bands of Indians from the opposite side, some of whom exhibit passes from the local authorities, and there seems to have been an offensive alliance entered into between them and the local governor of Coahuila.

Recently, when I learned that the alcalde at Piedras Negras had arrested a couple of guides who had been employed as trailers to follow raiding-bands across into Mexico under authority from the general commanding the army, and who, I learned, would probably be executed, I telegraphed for their status. (See reply marked A.) I then directed formal application for their release, and Colonel Schofield informed me that the alcalde refused, stating that his orders were to imprison all who had guided us in Mexico, (see telegram marked B,) upon the principle that if two of our Crow Indian guides was in the hands of the Sioux, we would deserve and receive no respect from the Crow allies or any other if we did not make every effort to release our guides. I tele-

graphed the commander of the district to use his available troops promptly to secure their release, but as the present governor is reputed energetic and prompt in shedding the blood of prisoners, I fear the efforts to release them will be futile. General Devin reports that Canales, who has control at Tamaulipas, has shown no courtesy or friendly disposition toward the Americans. His reputation as a cruel, bad man is even worse than that of Cortina.

In Chihuahua I learn that there is a contest for control waging between Trias, aided by the wild Indians and other desperate adventurers, and the parties claiming to act under the Diaz faction. The probabilities are that Trias will win.

I should add, in explanation of the matter of the guides, that a few months since, when Colonel Shafter employed the Mexican guides, the authorities then in power were disposed to encourage his pursuit of the raiding Indians, and consented to his crossing into Mexico. The services of the guides were secured, I believe, through the agency of the American consul, Mr. Schuchardt, who furnished the information lately that they would probably be summarily executed. (See General Schofield's dispatch, C; since writing the above, the dispatch received marked D, and one sent marked E.

Very respectfully, your obedient servant,

E. O. C. ORD,

Brigadier-General, U. S. A., Commanding.

ASSISTANT ADJUTANT-GENERAL,

Military Division of the Missouri, Chicago, Ill.:

P. S.—I would respectfully refer to General Thomas L. Kane, of Kanesville, Pa., who recently visited this country and Coahuila, Mexico, for his views, and to some extent as witness to the terrorism among the frontier settlers on account of the continued raiding and frequent murders committed by the Indians from Mexico.

Respectfully, &c.,

E. O. C. ORD,

Brigadier-General, Commanding.

[Telegram.]

WAR DEPARTMENT,

SIGNAL SERVICE, U. S. A., *United States Telegraph.*

Dated Brown., Tex., March 26, 1877. Received at San Antonio, Tex., March 26, 1877, 4.30 p. m.

To TAYLOR, A. A. G.,

San Antonio:

Detachment of Eighth Cavalry, from Ringgold, with hide-inspector, captured three cattle-thieves, with seventy head of stolen stock.

DEVIN, *Commanding.*

[Telegram.]

HEADQUARTERS, DEPARTMENT OF TEXAS,

San Antonio, Tex., April 1, 1877.

Colonel SHAFTER,

Commanding District Nueces, Clark:

Send the following to Colonel Taylor, or Post-Commander Duncan: Shafter telegraphs that his two late guides are seized and in danger at Piedras Negras. See authorities and call attention that this indicates a

determination on their part to protect the raiding Indians. Say that I act by authority from Washington when I pursue them with view to punish them and recover their booty; that parties protecting them become like the principals in the robberies, and will be so considered. I have telegraphed Shafter to say to Shuchardt that if the guides claim to be American citizens, he, Shafter, must protect them. Use your discretion in communicating the last information to the authorities, for if it becomes necessary to take summary action, perhaps better not name them.

ORD, *Brigadier-General.*

[Telegram.]

CLARK, April 1, 1877. (Received April 1, 1877.)

To General ORD,

San Antonio:

If telegram from Schofield, which I expect to-night, indicates danger of execution of the men, I will be at Duncan to-morrow with Colonel Shafter and sufficient force to release the men. I will give Colonel Shafter the necessary orders in writing, and accompany the troops.

TAYLOR, A. A. G.

[Telegram.]

DUNCAN, April 1, 1877. (Received April 1, 1877.)

To General ORD,

San Antonio:

Schuchardt thinks if the demand for release is made by me, as you direct, the authorities will give the men up. I believe they will.

SCHOFIELD.

[Telegram.]

DUNCAN, April 1, 1877. (Received April 1, 1877.)

To General ORD,

San Antonio:

They are in prison at Piedras Negras, held as traitors.

SCHOFIELD.

Schuchardt is in office.

DUNCAN, April 2, 1877. (Received April 2, 1877.)

To General ORD,

San Antonio:

Saw authorities at Piedras Negras last night, but made no positive demand and no threat. They are decidedly firm, and are acting by authority of governor of State at Saltillo. Governor was notified, by courier, two days ago, of arrest. From this I judge the men will not be sent off unless we alarm them. The governor's order did not designate these two men by name, but was general; regard to all who had guided United States troops into Mexico. Full particulars telegraphed Shafter.

SCHOFIELD.

[Telegram.]

DUNCAN, April 1, 1877. (Received April 1, 1877.)

General ORD,
San Antonio:

Schuchardt says the authorities will give the guides a sham trial and then shoot them.

I will visit Piedras Negras to-night and see the authorities, under your instructions.

SCHOFIELD.

[Telegram.]

DUNCAN, April 3, 1877. (Received April 3, 1877, 10.30 a. m.)

To ORD, *Brigadier-General:*

I arrived here with Shafter last night at 10.30 o'clock. At 2 a. m. Shafter moved up the river with three companies of cavalry and crossed Rio Grande with view of moving down and occupying rear of Piedras Negras at early dawn. As soon as we could see to move intelligently, Schofield crossed with two companies of infantry. I accompanied the latter command. We were challenged and threatened by small party, but no other opposition was made. The detachment landed and moved rapidly, occupied the main plaza, seizing the jail in which the prisoners were supposed to be confined. The door of cell was found open, as well as the main entrance, and the jail deserted. Shortly afterward the cavalry came in from the rear. The prisoners had, I think, been removed in the early part of the night. The Mexicans, having learned that interest was taken by United States authorities in the men, were no doubt on the *qui vive*, and had confederates on this side to give warning. I do not think any better arrangements than those adopted could have been made. As soon as the fact was discovered that the prisoners had been removed the town was evacuated. While held, no violence was done to any citizen. No shot fired. Everything was conducted in the most orderly and soldierly manner.

TAYLOR, A. A. G.

[Telegram.]

HEADQUARTERS DEPARTMENT OF TEXAS,
*San Antonio, Tex., April 3, 1877.*To Colonel TAYLOR, *Fort Duncan:*

Send promptly, through alcalde of Piedras Negras, to the governor of Coahuila, this:

"The department commander of Texas has learned with surprise that the governor of Coahuila has ordered the arrest of two men who acted as guides to a party of United States troops in pursuit of wild Indians, who were taking refuge in the mountains of Mexico with stock stolen from the United States. That injuries to these guides for services done the United States Government on an expedition which was undertaken with the consent of the *de facto* commander of the Mexican forces of the district, cannot but be regarded as a declaration on the part of the present governor to co-operate with the wild Indians, refugees from the

United States, in their depredations upon this territory, and will be so reported to the President."

Sign by order. State that this letter is telegraphed.

ORD.

[Third indorsement.]

HEADQUARTERS MILITARY DIVISION MISSOURI,
Chicago, April 9, 1877.

Respectfully returned to the Adjutant-General of the Army, calling attention to the objections of General Ord, stated in the inclosed report.

P. H. SHERIDAN,
Lieutenant-General, Commanding.

[Fourth indorsement.]

ADJUTANT-GENERAL'S OFFICE,
Washington, April 18, 1877.

Respectfully returned to the Secretary of War, with copy of General Ord's report for the Department of State.

E. D. TOWNSEND,
Adjutant-General.

WAR DEPARTMENT,
Washington City, April 19, 1877.

SIR: I have the honor to transmit for your information the inclosed copy of a report made by General E. O. C. Ord, commanding Department of Texas, on a communication from the Department of State, dated the 21st ultimo, inclosing a copy of a dispatch dated 9th March last, from the United States consul at Matamoras suggesting the withdrawal of the United States gunboat Rio Bravo.

Very respectfully, your obedient servant,
GEO. W. McCRARY,
Secretary of War.

Hon. SECRETARY OF STATE.

DEPARTMENT OF STATE,
Washington, April 24, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 19th instant inclosing a copy of a report of General E. O. C. Ord in regard to a suggestion made by Mr. Thomas Wilson, consul of the United States at Matamoras, that the gunboat Rio Bravo be withdrawn from that place.

I am, sir, your obedient servant,

F. W. SEWARD,
Acting Secretary.

Hon. GEO. W. McCRARY,
Secretary of War.

DEPARTMENT OF STATE,
Washington, May 1, 1877.

SIR: Referring to your letter of the 19th ultimo, with a report to you from General E. O. C. Ord, which gives an account of the arrest, by Mexican authorities, of two men who acted as guides to the United

States troops in pursuit of wild Indians, and to his action in reference thereto, I will thank you to furnish me with any further information which you may have received on that subject. This is desired in consequence of a note recently addressed this department by the Mexican minister at this capital.

I have the honor to be, sir, your obedient servant,

WM. M. EVARTS.

Hon. GEORGE W. McCRARY,
Secretary of War.

[First indorsement.]

ADJUTANT-GENERAL'S OFFICE,
Washington, May 3, 1877.

Respectfully returned to the Secretary of War with the information that this office has not received any further correspondence relating to the subject.

E. D. TOWNSEND,
Adjutant-General.

WAR DEPARTMENT,
Washington City, May 4, 1877.

SIR: In reply to your letter of the 1st instant, asking for further information concerning the arrest, by Mexican authorities, of two men who acted as guides to United States troops in pursuit of Indians, of which you were informed by letter of the 19th ultimo from this department, I have the honor to state that no additional correspondence on the subject has been received. When anything further transpires as to this matter, it will be communicated to you.

Very respectfully, your obedient servant,

GEO. W. McCRARY,
Secretary of War.

Hon. SECRETARY OF STATE.

[Telegram.]

SAN ANTONIO, TEX.,
April 10, 1877.

DRUM,

A. A. G., *Chicago, Ill:*

Following just received from Devin, at Brownsville:

"On yesterday, at 2 a. m., Canales was sent under guard to Boca del Rio, where he will proceed by Mexican Government steamer to Vera Cruz. It is said by the escort that he is to be confined in the castle of San Juan de Ulloa, by order of the minister of war.

"ORD,
"Brigadier-General."

WAR DEPARTMENT,
Washington City, April 18, 1877.

SIR: I have the honor to transmit herewith, copy of a dispatch from General Ord, of the 10th instant, stating that Canales has been sent to

Boca del Rio, and that it is said by the escort he is to be confined in the castle of San Juan de Ulloa.

Very respectfully, your obedient servant,

GEO. W. MOURARY,
Secretary of War.

HON. SECRETARY OF STATE.

SIGNAL-SERVICE, U. S. A.,
United States Telegraph.

Dated Fort Clark, Texas, 1877. Received April 24, 1877, 8.30 a. m.

TAYLOR, A. A. G., *Department Tex.,*

San Antonio, Texas:

The following dispatch received yesterday from Castroville: "Party of thirty-five Indians and Mexicans raided through Quihi Hondo and New Fountain last night, carrying off two hundred head of horses. Trail moving southwest; crosses line eight miles below here."

Immediately upon receipt of this dispatch, Lieutenant Stevenson, with forty men, has been ordered to the Nueces, about sixty miles southeast of Duncan. Company B, Tenth Cavalry, is at Duncan ready to start in any direction required. Orders were also sent to Lieutenant Van Vliet, in Frio Cañon, to go to Dhanis, take the trail and follow it. Rangers in Nueces Cañon and people at Frio City also notified. Three companies cavalry near here, one company at San Felipe and Bullis, between mouth of Devil's River and Pecos, ready to start as soon as I can get definite information as to the point they are bearing for.

SHAFTER, *Commanding.*

[Telegram.]

FORT CLARK, TEXAS,
April 28, 1877—8 o'clock p. m.

TO TAYLOR,

Assistant Adjutant-General,

Department Texas, San Antonio:

Following telegrams received: Lieutenant Dolan, Texas Rangers, says, "I followed the Indian trail near Pendercia; rained hard, and put out trail; think they crossed below Presidio. They have about thirty-five horses to my knowledge; may have had more; Indians had a fight with citizens at Lumaville, in which one Indian and one white man was killed." Schofield says courier in from Stevenson says several bands Indians in vicinity of Cariza; followed one trail of twelve, but lost it in heavy rain-storm. Indians in small parties are hidden in thick brush, watching chance to steal stock; thinks he can catch some of them there. Telegrams were received on 26th. To-day Van Vliet reports from Frio City: "The recent raids in this section have been committed by a party of six Indians, who, commencing at Quillie, worked southward along the Pecos. They were pursued from Lona by a party of herders southwest, and one of their number killed fifty miles from here, and thirty head of stock recaptured. This occurred on the 23d instant. The Indians were scattered and could not be overtaken, since which time trail has been entirely washed out." Stevenson, with forty men of Company K, Eighth Cavalry, and Coleman's company, is now on

the Nueces, trying to hunt up Indians hiding there. Boyd, with Company B, Eighth Cavalry, is scouting along the river thirty-five miles below Duncan, toward mouth of San Pedro; don't think they will get off with much stock.

SHAFTER, *Commanding.*

[Indorsement.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, May 5, 1877.

Respectfully forwarded to the Adjutant-General of the Army.

As I have heretofore had occasion to observe, the Rio Grande is a very long and difficult frontier to protect, and notwithstanding the activity of our troops, it is found almost impossible, with the means at hand, to prevent these marauding incursions from Mexico; and I recommend that the proper authorities take some steps to require the Mexican Government to aid in the protection of that frontier.

P. H. SHERIDAN,
Lieutenant-General, Commanding.

WAR DEPARTMENT,
Washington City, May 16, 1877.

SIR: I have the honor to transmit for your information a copy of a report of Lieut. Col. W. R. Shafter of a raid by Mexicans and Indians in Texas, carrying off two hundred head of cattle, and beg to invite your attention to the remarks of Lieutenant-General Sheridan indorsed thereon.

Very respectfully, your obedient servant,

GEO. W. McCRARY,
Secretary of War.

Hon. SECRETARY OF STATE.

HEADQUARTERS DISTRICT OF THE NUECES,
Fort Clark, Texas, May 10, 1877.

SIR: I have the honor to report that on the 22d of April I received the following dispatch from the telegraph operator at Castroville, Tex.: "Party of 35 Indians and Mexicans raided through Quihi, Hondo, and New Fountain last night, carrying off 200 head horses. Trail moving southwest; crosses line eightmiles below here." I had for fifteen days known that several parties of Indians on foot had crossed from Mexico into Texas, but as it was impossible to tell where they would first strike, or where they would go out, I held the cavalry in camp and at the posts, (with the exception of parties in Frio and Sabinal Cañons,) until I should hear from them.

Upon receiving the above dispatch, I sent the following order to commanding officer Fort Duncan, Texas: "Send Stevenson or James with 40 men, Company K, Eighth Cavalry, 10 days' rations, on pack-mules, at once to Cariza via Pendentia. On arriving at Cariza the commanding officer will send a detachment of 15 men down the road about twenty miles toward Fort Lowell; he with the rest of his men to go east toward the Nueces. Let him notify the people at the Pendentia and Cariza of this Indian raid, and request them to send any information of Indians at

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once to you and to his party. The detail going toward Lowell can remain in camp one day at the point indicated and then return to the Cariza. The officer going to the Nueces should scout up from the point where he strikes it, about thirty-five miles, and then return by the same course to the Cariza. If by that time the Indians have not passed out, he can return to Duncan."

The object of sending Stevenson to the Nueces and down the road toward Fort Ewell, (crossing of Lored and San Antonio road,) was to intercept the Indians if they attempted to get out of the country, between Lored and Duncan, and also to strike the trail as far in the interior as possible. The Indians crossed the road from Cariza to Fort Ewell, a few hundred yards of the place the sergeant was ordered to camp, and Stevenson with his whole detachment was on the trail but a few hours (four or five) behind them, with eight cattle-men from Cariza, with every prospect of overtaking them, when unfortunately heavy rain set in, that completely obliterated the trail, and before he could again get news of the Indians they had been several days safe in Mexico. The order given Lieutenant Stevenson to return to his post, after making the scout ordered, if nothing had then been heard of the Indians, was because I knew that if they had not by that time passed by him they would not, but would go out above Duncan, as they always have, for the last five years. On April 26, the following dispatch was received from Major Schofield, commanding Fort Duncan:

"Mexican guide, who returned from Stevenson, says he saw Indian signs, and that word was coming from every direction of Indians in little parties. They are, no doubt, detachments from the main body that struck near Castorville."

I at once started Lieutenant Boyd, with Company B, Eighth Cavalry, down the Rio Grande to about the point I thought it likely the Indians would cross, and gave him the following order:

"You will start at once with all the available commissioned officers and men of your company, B, Eighth Cavalry, provided with ten days' rations, and march toward Duncan, on the main road, as far as possible. To-morrow morning you will continue your march to Duncan, and then down the river to the Pequasche; from there you will commence to scout along the river to the mouth of the San Pedro, a few miles below Las Iselitas. Should the Indians cross, and you find the trail, do not hesitate to follow them into Mexico, if the trail is fresh. It will, however, not be advisable for you to go too far with your company, as two days' marches leave several large towns in your rear. Should the trail, if found, indicate that a large herd of stock has been taken out, notify Major Schofield by carrier at once."

I also sent the following instructions to the commanding officer Fort Duncan:

"Send Orleman out with Company B, Tenth Cavalry, to Cariza, via Pendentia, to report to Stevenson; he should have a lieutenant with him, and leave him and about twenty of his men at Pendentia to scout in that vicinity for parties that may be hanging about there. Citizens will assist, I am quite sure. Dolan, of the rangers, telegraphs me to-night that he followed trail to near Pendentia, but lost it in heavy rain. Boyd's company will be down to-morrow to scout along the Rio Grande from Pequasche, thirty-five miles below Duncan, to the Gardens, which are sixty. Indians crossing below Duncan have always before crossed between those points. Notify Stevenson where he is to expect him, should he follow trail toward river."

On the 30th I received the following dispatch from commanding officer Fort Duncan; carrier from Stevenson:

"Indians crossed in two parties, large party on Monday the 24th, and small party on Wednesday, point about seventy miles from Duncan; says Indian raiders are now in Santa Rosa Mountains, as reported by Mexicans, and thinks it useless to follow. Boyd joined Stevenson, and now together. Boyd says: 'Do not think I can overtake them; some stolen horses are reported brought into Presidio del Rio Grande; they will try to recover them.'"

I have other information of the crossing on 24th or 25th, and on the same date from Mr. Schuchardt: "Two droves of horses arrived at Pejotas, thirty miles below Saragossa, one by Indians and other by Areola."

As it was useless to follow into Mexico with any hope of overtaking the Mexican thieves and Indians, unless I was prepared to follow them into the towns and come in conflict with the Mexican authorities, and which I did not feel authorized to do without positive instructions, I, after informing the commanding general of the department of the situation, ordered the pursuit to cease, in accordance with his instructions.

The damage done in this raid is, as near as can be ascertained, 2 men killed and about 100 horses stolen, with 1 Indian killed and 35 horses retaken by a party of cattle-men that happened to strike the Indians. This raid was deliberately planned by the Indians and their Mexican advisers near Saragossa, and so openly was this done that from several persons there in Saragossa I was notified of their intentions.

As they were to cross on foot, it was impossible to do anything to avert the raid or to strike the Indians until they should show themselves, except to station small parties in the Sabinal and Frio Cañons, points usually visited first by them.

This was done, but on this raid the Indians that crossed above passed by the head of the Frio and Sabinal, and commenced the raid in the Hondo. A small party of Mexicans or Indians crossed below Duncan, but just where they operated I have been unable to find out, but from the fact that they cut a piece (ten feet) out of the wire and carried it on the trail for about a mile, the probabilities are that there were either Mexicans in the party or that they had instructed the Indians as to what to do to disable the line.

Pursuit of raiders from Mexico to the Rio Grande has, with rare exception, been unavailing.

Under the government of Lerdo de Teja, there has been full and free consent, on the part of the civil and military authorities on this frontier, for our troops to cross in pursuit, and under this authority considerable scouting was done on the Mexican side of the Rio Grande last summer and winter, resulting in killing and capturing several Indians, and retaking considerable amount of stock. I have been assured that, as soon as the present revolutionary government is overthrown, United States troops will be invited to pursue any and all marauders without regard to the boundary between the United States and Mexico.

Herewith inclosed I have the honor to transmit reports of commanding officer Fort Duncan, Lieutenants Stevenson and Boyd, Eighth Cavalry.

I am, sir, very respectfully, your obedient servant,

W. R. SHAFER,
*Lieutenant-Colonel Twenty-fourth Infantry,
Commanding District Nueces.*

ASSISTANT ADJUTANT-GENERAL,
Department of Texas, San Antonio, Tex.

HEADQUARTERS FORT DUNCAN, TEXAS,
May 7, 1877.

SIR: I have the honor to submit the following report of a scout after marauding Indians and Mexicans, made from this post pursuant to telegraphic orders from headquarters District of the Nueces:

First Lieut. J. D. Stevenson, Company K, Eighth Cavalry, with forty men of his company, left the post at 1 o'clock a. m. April 23, for the Carisa, by way of Pendencia, with orders to scout the country thoroughly to the Nueces, and up that stream at least thirty-five miles, unless the parties sought for or their trail be found sooner; also to scout down the Fort Ewell road at least twenty miles. Full written instructions were given Lieutenant Stevenson in regard to pursuing, capturing, or killing any Indians or Mexicans he might overtake with stolen stock in their possession; also to cross into Mexico should he be in pursuit of such parties and close behind them.

On the evening of April 26, about 8 o'clock, a courier reached the post with a dispatch from Stevenson, stating that small parties of Indians were in his vicinity, (on Carisa,) and that he had pursued one party of twelve for several miles, and had lost the trail in heavy rain. This information was at once communicated by telegraph to the district commander, and at the same time Lieutenant Orleman, Company B, Tenth Cavalry, with thirty-five men of his company, was ordered to be ready in the shortest possible time, with ten days' rations on pack-mules, to start after these Indians. Lieut. W. H. W. James, Twenty-fourth Infantry, volunteered, and was ordered to accompany Lieutenant Orleman and to report to Lieutenant Stevenson should he come up with that officer.

This detachment was promptly in the saddle, and at about 10.30 p. m. (April 26) left the post. An hour later a telegram was received from district headquarters giving further information in regard to movements of marauding Indians and Mexicans, and directing me to have Lieutenant Orleman join and report to Lieutenant Stevenson. A courier with this information and order was at once dispatched to overtake Lieutenant Orleman, which he did, returning to the post at 3.30 a. m. Nothing was again heard from the commands until the morning of April 29, when a brief dispatch from Lieutenant Stevenson reached me. This was sent from a point on Peña Creek, and announced that Mexicans from the Rio Grande reported that a large party of Indians had crossed that river from this side on the 25th at a point about forty miles north of Laredo, and stating that, to make sure as to correctness of this report, he would at once with both companies start across country to the Rio Grande and see for himself, which he did. At 9.30 a. m., April 30, another dispatch was received from Lieutenant Stevenson, by the hands of Don José Martinez, which was dated at Martinez ranch (on the Rio Grande) April 29, and which gave the information that a small party with stolen horses had crossed into Mexico on the 26th and a large party on the 24th, (since ascertained to have been on the 23d,) the former near Yemgas ranch, sixty miles below this post, and the latter some distance still further down.

In this dispatch Lieutenant Stevenson expressed the opinion that it would be useless to attempt to follow these parties, as they had five and seven days, respectively, the start of him. In this opinion I concurred, and telegraphed to district headquarters asking if I could order the detachments to return, which was authorized. On the 27th of April, Lieutenant Boyd with Lieutenant Ellis and Company B, Eighth Cavalry, under orders from the district commander, reached this post, and on the following morning started down the Rio Grande to scout toward

Laredo. Meeting Lieutenant Stevenson and learning from him that the Indians had crossed into Mexico, Lieutenant Boyd returned from Martinez ranch.

Both commands arrived at the post on Monday, May 1, and on the day following, Lieutenant Stevenson, with his company, marched to Fort Clark, and Lieutenant Boyd, with his company, for his camp on the Pinto, as ordered by Lieutenant-Colonel Shafter, commanding district of the Nueces. I am satisfied that these officers did all in their power to accomplish the objects sought. Circumstances were against them. Unusually heavy rains, which flooded the country, obliterating trails, prevented Lieutenant Stevenson from continuing a pursuit that promised success, and considerably delayed the other companies in their movements.

Shortly after the first detachment of cavalry left the post it was reported that the telegraph line between this post and Fort McIntosh was broken, and had been for several days. A small party was sent out along the line to find the break and repair it. This party returned on the 29th of April, reporting that the wire had been found cut, and a piece carried away from the line about five hundred yards, and that many tracks of mshed ponies were found, and by these tracks the piece of wire was discovered. The party also found one telegraph-pole entirely, and another partially, burned down. Two Mexicans, met near there, said Indians crossed from Mexico several days before and cut the wire; that they saw them do it, and that then they started northeast into Texas. It is more than probable that there were Mexicans with this party of Indians. The piece of wire was taken out just this side of the forty-first mile pole, the poles being numbered from Fort Duncan.

Señor Martinez, who brought the dispatch of April 29 from Lieutenant Stevenson, informed that one of the parties that returned into Mexico with horses stolen from Texas was headed by Ariola, a well-known Mexican, who was at one time alcalde of Newtown. Martinez did not himself see Ariola, but got the information from a partisan of his, one Wencesla Yomez, who said he saw Ariola at Peyotes with a party of Mexicans and a lot of stolen horses; at the same time a party of Indians was near there with a large lot of horses, stolen from Texas. Martinez expressed perfect confidence in Yomez, and the correctness of his report. Mr. Schuchardt, United States commercial agent at Piedras Negras, who was present at the interview with Señor Martinez, also gave credence to the report. He knows Martinez well, and thinks his statements can be relied on.

In this connection, and in reference to the marauding parties having a "passport" from Mexican authorities, I respectfully invite attention to the report of Lieut. J. D. Stevenson, herewith forwarded. The statement in this report, that it was well understood along the river that this was a regular contract made with the Indians by the Mexican authorities to obtain horses, is worthy of notice.

Very respectfully, your obedient servant,

G. W. SCHOFIELD,

Major Tenth Cavalry, Commanding Post.

ASSISTANT ADJUTANT-GENERAL,

Department of Texas, San Antonio, Tex.

(Through Headquarters District of the Nueces.)

CAMP ON PINTO CREEK, TEXAS,
May 5, 1877.

SIR: I have the honor to report that in obedience to General Order No. , dated Headquarters Fort Duncan, Tex., I left that post with a detachment of forty men, Company K, Eighth Cavalry, at one o'clock a. m., April 23.

Arriving at Pendencia about noon, I have halted here about two hours for the purpose of grazing my animals and for the men to make coffee; nothing had been seen or heard of Indians by the people in this vicinity. I then proceeded to Carisa Creek, arriving there at 7 p. m.; distance traveled on the 23d, 50 miles.

A few moments after our arrival at the Carisa, a very heavy rain commenced and continued for about two hours, causing considerable suffering both to men and horses. Next morning I interviewed several of the citizens of the settlement, but up to that time nothing had been heard of Indians in that country. Then, as directed in the above-mentioned order, I divided my command, sending First Sergeant Wilson, with fifteen men, down the Fort Ewell road 20 miles, with instructions to remain one day at that point and scout the vicinity for any trail going toward the river, and, in case none was found, to return to the Carisa the following day. At the same time I started, as directed, with the balance of my detachment for the Nueces River, leaving the Mexican "Gusto" at Carisa to bring word to me in case the Indians made their appearance during my absence.

Mr. Placide English volunteered his service and accompanied me as guide to the Nueces. We had just reached a northern point of Lake Espentosa, where it meets the Nueces, about 9 miles from the Carisa settlement, when "Gusto" caught up with us and reported that a party of about fifteen Indians had attacked Mr. Ed. English that morning at nine o'clock, about 10 miles south of the ranch.

I immediately turned back with my command, sending a sergeant and four men up the Nueces to look for any trail crossing that stream above. In an hour and a quarter I was again at the ranch, and continued on to Mr. Ed. English's "cow camp," where he joined us, and guided me to the place where he had been attacked. But in the mean time the sky had become clouded, and the night was so intensely dark that we were obliged to stop at this point for the remainder of the night, not being able to distinguish the trail. Distance traveled, 40 miles.

Upon leaving the Carisa I found that we were obliged to travel through a very dense mesquite and cactus "chaparral," and knowing that my pack-animals could not keep up with their loads at the rate I wished to travel after striking the trail, I sent them back to the Carisa, intending to depend upon the country, or what cattle or sheep we might meet, for our rations.

At dawn on the 25th we were soon upon the trail of about twelve or fifteen Indians, and followed it at a brisk trot; they were evidently traveling slowly, and made no effort to conceal that trail, and everything seemed to favor the chance of my overtaking them in the open country before they could possibly reach the river.

We had followed the trail for about ten miles, when a cloud which had been gathering above us for the last two hours broke and poured down perfect torrents of rain, flooding the country for miles around; so much so that we were unable to distinguish our own trail fifty yards in rear of the column. After several ineffectual attempts to follow the trail, I gave it up and struck across the country in the direction the

trail had been leading when lost, toward Carr's sheep-ranch and the river.

After a tedious march of four hours through water about four inches deep and mud as deep again, we arrived at Carr's ranch. Herders came in during the hour I staid there and reported they had seen no signs of Indians in any direction. Fearing that the main body of Indians, with the large horse-herd reported, might pass in my rear to the river, I retraced my steps toward the Carisa, hoping to discover a fresh trail since the rain, but without success. Arrived at Carisa at 7 p. m. distance traveled, fifty-five miles.

On the following morning I marched to a point in the open country between the Carisa and Rio Grande, where the Indians had invariably crossed before. Mr. Levy English accompanied me as guide. I sent small parties to all prominent points in the vicinity to overlook the valley, and remained in this place until noon, when three Mexicans came to my camp and reported that the Indians had crossed about fifty miles below me near Lopez's ranch. I then started for the Peña, where I met Lieutenant Orleman and his company, B, of the Tenth Cavalry; we then started for the Rio Grande, (both companies.)

About ten miles from the river I struck the trail of about eight Indians and followed it to near Ruega's ranch. Upon our arrival at this place I found that the main party of Indians, with sixty head of horses, had crossed the Rio Grande on the 23d, (seven days before us and the day I left Fort Duncan.) Having only two days' rations left, I proceeded up the river to the ranch of Don José Martinez, who received and treated us very kindly; I was here informed by several Mexicans that the Indians had passed through a small town in the interior of Mexico, called Pioytes, five days ago, offering horses for sale. Don José Martinez told me, in a quiet way, that a well-known Mexican on the frontier, named Ariola, and fourteen Mexicans had joined the Indians near the Presidio del Rio Grande, and that they were undoubtedly engaged in the stealing of said stock. One party of thirty Indians and sixty horses crossed the Rio Grande six miles below Lopez ranch, and another of eight Indians crossed at Lopez ranch with thirty head of horses. The next morning after leaving Martinez ranch, the courier overtook me with orders for me to return to Fort Duncan with Company B, Eighth Cavalry, which met me on the road.

There is no doubt that the Mexican authorities are responsible for the crossing of this party of Indians, as they presented a "passport" at the Presidio del Rio Grande, authorizing them to cross the river into Texas for the purpose of hunting, and those that saw the party recognized several Mexicans among them, and it was well understood along the river that this was a regular contract made with the Indians by the Mexican authorities to obtain horses.

At 2 o'clock p. m., on the first instant, I arrived at Fort Duncan, Texas, where I received orders to march to this post.

Very respectfully, your obedient servant,

J. D. STEVENSON,

First Lieutenant Eighth Cavalry Commanding Company K.

ACTING ASSISTANT ADJUTANT-GENERAL, *District of the Nueces,*
(Through Post Adjutant,) *Fort Duncan, Tex.*

GRAZING CAMP ON THE PINTO, TEXAS,
May 5, 1877.

SIR: I have the honor to report that in obedience to letter of instructions from Headquarters district of the Nueces, dated April 26, 1877, I left this camp with Lieutenant Ellis, Eighth Cavalry, and sixty men of B Company, Eighth Cavalry, on the morning of the 27th, and marched to Fort Duncan, Tex., that day; distance, about sixty miles. From that point my instructions were, to march to the Pequache and scout the Rio Grande to the mouth of the San Pedro, to intercept a party of Indians raiding in the vicinity of Castroville and the adjacent country. Marched from Fort Duncan on the morning of the 28th and camped in the vicinity of Pequache that night; distance marched, about thirty-five miles.

In the morning of the 29th marched to La Iselita, a distance of ten miles, where I learned that the Indians had crossed the Rio Grande some days previous in three parties; one about eight miles below La Iselita, the other two parties making a crossing at the "Gordens," some sixteen miles below. I at once started to find the crossing, but after marching a few miles I found the companies of Lieutenant Stevenson, Eighth Cavalry, and Lieutenant Orleman, Tenth Cavalry, and learning that the trail was cold and washed out by the rain I returned that night to La Iselita under command of Lieutenant Stevenson. From that point I marched with Lieutenant Stevenson two days to Fort Duncan, and from Fort Duncan I returned alone by the mouth of the Pinto, thence up that stream in three days to my camp. On the first night out from Duncan, on my return home, while in camp at the mouth of the Las Moras, at 8 o'clock in the evening and while grazing my animals, an attempt was made by two men to stampede my herd, which attempt was quickly frustrated by Private Dudley, B Company, Eighth Cavalry, who was the first to discover and fire upon the thieves. To his prompt and soldierly action I have the honor to call the attention of the commanding officer.

While at La Iselita I learned from Don José Martinez and the people at his ranch that twenty of the horses stolen from this side by the Indians were taken into the town of Presidio del Rio Grande by the custom-house guard at that place, and that it was their share of the spoils. I was also told that there were Mexicans with the Indians; further, that the Indians had a pass from the jefe de politico in Saragossa to hunt on this side of the river and to rob Americans; that at New Town there was a regularly-organized band of Mexicans who assisted the Indians in all their forages on this side.

Very respectfully, your obedient servant,

O. B. BOYD,
First Lieutenant Eighth Cavalry,
Commanding Company.

POST ADJUTANT,
Fort Clark, Tex.

[First indorsement.]

HEADQUARTERS DEPARTMENT TEXAS,
May 16, 1877.

Respectfully forwarded for the information of the division commander, calling attention to the remarks of Colonel Shafter in regard to the uselessness of confining his pursuit to Texas of raiding-parties, and the probability that should the present revolutionary powers be dispossessed permission to pursue raiding Indians would be given. I have respect

fully to request instructions in regard to how far in such cases I can authorize the troops to go. At present, under telegraphic instructions from the General commanding the Army, they are authorized to follow raiders across the Rio Grande, on fresh trails, and when they are in possession of the stolen property and take refuge with it in Mexico.

E. O. C. ORD,
Brigadier-General, Commanding.

[Second indorsement.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, Ill., May 22, 1877.

Respectfully forwarded to the Adjutant-General of the Army.

It is my belief that all reports about raiding-parties on the Mexican frontier of Texas should be received with very great doubts.

There is a condition of revolution along the Mexican border which is stimulated to some extent by citizens of Texas, and if there is any raiding it is liable to be exaggerated.

P. H. SHERIDAN,
Lieutenant-General, Commanding.

HEADQUARTERS OF THE ARMY,
Washington, May 29, 1877.

Respectfully referred to the honorable Secretary of War.

W. T. SHERMAN,
General.

[Telegram.]

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., June 11, 1877.

General POPE,
Fort Leavenworth, Kans.:

The following brief of telegram is referred to you as having troops more convenient than those in Texas:

"JUNE 11.

"Machorro, Lerdist commander, yesterday driven from El Paso; victors threaten to cross into United States after them. We ask government protection.

"SCHULTZ,
"Commercial Agent."
ORD,
Brigadier-General.

SIGNAL-SERVICE, U. S. A.,
United States Telegraph.

Dated El Paso, Tex., June 9, 1877; received at San Antonio, Tex., June 11, 1877, 10 a. m.

To General ORD,
Commanding, San Antonio:

On yesterday Colonel Machorro, leader of the Lerdo party, who has been in peaceable possession of the town of Paso del Norte, was attacked by an armed force of about two hundred and fifty men from Paso del Norte and surrounding avrons; a fight ensued, the result of which was that Machorro's forces were utterly routed, quite a number

on both sides being killed and wounded, and Machorro and officers fleeing to El Paso, Tex., for protection.

The fight being over, the victorious party, having taken possession of Paso del Norte at midnight, assembled with the avowed intention of crossing the river into Texas for the purpose of forcibly seizing Machorro, his officers, and some other citizens of Chihuahua, Mexico, who have been for months residing in El Paso, Tex. The citizens of El Paso, Tex., having been informed at a late hour of the night of this movement and apprehending serious trouble, at once assembled and organized themselves for protection, appointing committees of safety and defense. El Paso has been, and is now, in great danger of an attack from Mexican revolutionists, and the limited number of citizens renders it impossible to protect life and property against such.

For these reasons we earnestly appeal to government for assistance, that our lives and property may be protected, as we are two hundred miles from the nearest military post, and have been, and are now more than ever, exposed to the insult and depredations of the Mexican revolutionists.

J. A. ZABRISKIE,
LOUIS CARDIS,
A. KRAKAUER,

Committee of Citizens of El Paso, Tex.

I hereby certify that the foregoing statement is true.

SOLOMON SCHULTZ,
United States Commercial Agent, El Paso.

[Indorsement.]

HEADQUARTERS DEPARTMENT OF THE MISSOURI,
Fort Leavenworth, Kansas, June 16, 1877.

The papers are respectfully forwarded to the headquarters Military Division of the Missouri.

El Paso is in the Department of Texas, and not in this department. I have, therefore, no jurisdiction over it, nor am I sufficiently acquainted with the facts and orders on the subject of Mexican border troubles to take any action. Even if I were, I have not the troops to send without exposing the people of New Mexico to the Indians in the southern part of the Territory.

This department has been so depleted of troops for the Indian campaign north of the Platte, that for a year past the frontier of the department has been in a critical condition.

I have been compelled to draw troops from New Mexico to the full extent possible for the security of the frontier along the Kansas and Colorado lines.

The arrival of a large number of lately hostile Indians in the department demands the services of all the force I can spare from elsewhere.

There are no troops in New Mexico nearer to El Paso than Fort Stanton, which cannot be safely weakened.

JOHN POPE,
Brevet Major-General, Commanding.

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, June 22, 1877.

Respectfully forwarded to the Adjutant-General of the Army.

P. H. SHERIDAN,
Lieutenant-General, Commanding.

HEADQUARTERS OF THE ARMY,
Washington, June 26, 1877.

General Ord's department takes in the post of El Paso, but New Mexico is so near, that General Pope was advised as a matter of courtesy. Indeed, New Mexico is the point where we have a right to expect international complications in case of civil war resulting in Mexico. Therefore, General Pope must take notice of the facts herein recited; not that he can prevent hostilities between contending factions in Mexico, but that the United States do not deny the right of asylum, and that the Mexican authorities do not have reason to accuse us of harboring parties who are openly carrying on war with our neighbor.

General Pope should have at least an officer there to report the facts, and, if need be, a company of troops. If he has not a company to spare, he should call on his division commander.

W. T. SHERMAN,
General.

Copy of foregoing indorsement of General of the Army furnished for the information of the commanding general Division of the Missouri, June 27, 1877.

[Telegram.]

SAN ANTONIO, June 11, 1877.

General DRUM, Chicago :

Telegram regarding raids received. Anticipated that order [to] cross might stir up central authority. Instructions had been sent to meet such action. At present Central Mexican Government not troops to maintain its own authority on frontier. Following shows :

"EAGLE PASS, June 4, 1877.

To Colonel SHAFER,
"Fort Clark, Texas :

"Areola, a noted bandit, terror of all parties, with thirty men, is in the oak timber at La Trienta y Una, a creek that empties about seven leagues above San Felipa into the Rio Grande Valley. Anti-Diaz surprised a detachment at San Juan de Sabinas, captured a lot of horses and arms, and eight prisoners. General Trevino, of Diaz faction, is at Santa Rosa. An American, who came yesterday from Monclara, says there is not over 200 regular soldiers between here and Saltillo.

"WM. SCHUHARDT."

ORD,
Brigadier-General, Commanding.

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, Ill., June 12, 1877.

General E. D. TOWNSEND,
Washington D. C.:

The following dispatch from the adjutant-general, Department of Texas, has just been received, and is forwarded for the information of the General of the Army. I would state that the recent telegram from the General of the Army, enjoining a greater degree of caution upon General Ord, was immediately transmitted to him.

The man Valdez, referred to in Captain Kelley's dispatch, is, to the best of my recollection, a revolutionary leader in Mexico. He was at one time driven to the American side of the river at Eagle Pass, where

he surrendered himself and his troops, and was sent as a prisoner to San Antonio and afterward released. I think that he is now at the head of a movement in the interests of ex-President Lerdo, and probably has his backing at San Antonio, where General Escobedo has recently been staying. I presume that the two engagements which Captain Kelley says occurred, one on the Mexican side of the Rio Grande and the other upon our side, took place between some parties commanded by Valdez and the regular troops of the Diaz government.

I apprehend nothing from this affair save the ordinary confusion incident to the Rio Grande frontier.

P. H. SHERIDAN,
Lieutenant-General.

SAN ANTONIO, TEXAS, June 12, 1877.

DRUM, *Chicago, Ill.* :

The following received and answered, "Not to cross."

"FORT CLARK, June 11, 1877.

"To General ORD, *San Antonio* :

"Following just received :

"My men will be all ready to start by midnight. Shall I cross the Rio Grande in pursuit of these troops and attack them if I can overtake them? Please answer at once.

"SHAFTER,
"Commanding Post San Felipe."

"JUNE 11, 1877.

"To Acting Assistant Adjutant-General District of Nueces :

"I have the honor to report that a few moments ago three men of the command of Winker Valdez came into the camp in great haste, reporting that yesterday, while in camp in Mexico, not far above the mouth Devil's River, they, Winker's command, had an engagement with Mexicans, regular troops, and being defeated, fled to the American side of the river and encamped near Painted Oaves, about the vicinity of Lieutenant Bullis's old camp. They report that to-day at about noon they were attacked in camp by the Mexican troops, and before they had time to escape many were killed. The Mexican troops numbered about four hundred. Any refugees will be retained in camp here until I receive orders concerning them. I start with all available men, thirty-five, to the scene of the attack. Colonel Martinez is one of the men here.

"J. M. KELLEY,
"Captain Tenth Cavalry."

General Ord left this morning for Eagle Pass.

TAYLOR, A. A. G.

HEADQUARTERS OF THE ARMY,
ADJUTANT-GENERAL'S OFFICE,
Washington, June 13, 1877.

Lient. Gen. P. H. SHERIDAN,
Commanding Division Missouri, Chicago, Ill. :

Your dispatch of 12th, concerning crossing of Mexican troops into Texas, read to the President, and order for our troops not to cross approved.

E. D. TOWNSEND,
Adjutant-General.

WAR DEPARTMENT,
Washington City, June 13, 1877.

SIR: I have the honor to transmit for your information copy of a telegram from General Sheridan, communicating a dispatch from the adjutant-general's department of Texas, relative to two engagements alleged to have taken place between Mexican troops and revolutionists under Valdez, the first occurring on the Mexican side, the latter on the American side of the Rio Grande; also a copy of a telegram to General Sheridan communicating the action of the President in the premises.

Very respectfully, your obedient servant,

H. T. CROSBY,
Chief Clerk, for the Secretary of War, in his absence.

Hon. SECRETARY OF STATE.

[Telegram.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, Ill., June 15, 1877.

General E. D. TOWNSEND,
Washington, D. C.:

Colonel Shafter, commanding at Fort. Clark, Tex., has interned two colonels, two lieutenant-colonels, five captains, and forty-five privates, Mexicans, recently engaged in conflicts on the Rio Grande, and who fled to our side. What shall be done with these prisoners? I doubt if they are worth the rations which we will be obliged to issue to them if we keep them.

P. H. SHERIDAN,
Lieutenant-General.

HEADQUARTERS OF THE ARMY,
Washington, D C., June 15, 1877.

Lieut.-Gen. SHERIDAN,
Commanding Division Missouri, Chicago, Ill.:

Your dispatch concerning interned Mexicans has been submitted to the President, who directs that, if necessary to preserve peace on the borders, they be kept under the present restraint and rationed until further orders.

E. D. TOWNSEND,
Adjutant-General.

WAR DEPARTMENT,
Washington City, June 15, 1877.

SIR: I have the honor to transmit for your information a copy of a telegram from Lieut. Gen. Sheridan, dated the 15th instant, reporting that Colonel Shafter has interned a number of Mexican soldiers recently engaged in conflicts on the Rio Grande, and who fled to our side of the river; also a copy of the reply of the Adjutant-General of the Army to General Sheridan's question as to what disposition should be made of the prisoners above referred to.

Very respectfully, your obedient servant,

H. T. CROSBY,
Chief Clerk, for the Secretary of War, in his absence.

Hon. SECRETARY OF STATE.

TREASURY DEPARTMENT,

June 18, 1877.

SIR: I have the honor to transmit herewith a copy of a letter from S. C. Slade, esq., collector of customs at El Paso, Tex., dated the 29th ultimo, in reference to the taking of the city of El Paso, Mexico, on the 28th ultimo, by the partisans of Lerdo de Tejada, and of a further letter from him, dated the 30th ultimo, requesting instructions relative to the crossing of armed bodies of men into Mexico, and the arrival of arms and ammunition at that point destined for Mexico.

This department will, as far as may be within its power, cheerfully co-operate with your department in any measures you may adopt in the premises.

I have the honor to be, sir, your obedient servant,

JOHN SHERMAN, *Secretary.*

Hon. GEO. W. McCrary,
Secretary of War.

CUSTOM-HOUSE, EL PASO, TEX.,

Collector's Office, May 29, 1877.

SIR: I have the honor to inform you of the capitulation of the city of El Paso, Mexico, on the morning of the 28th instant, to the partisans of Lerdo de Tejada, under the immediate command of P. J. Machorro, colonel of the second regiment Mexican infantry, who is acting under the authority and instructions of General Escobedo. The taking of the city was accomplished between the hours of 1 o'clock and 6 o'clock a. m. All of the principal city officials were taken prisoners, among them Rafael Varios, collector of customs, and nearly all his subordinates, José Ma. Mesa, jefe politico, (mayor,) and others; fifteen in all.

It appears that the uprising is general throughout the State of Chihuahua, in accordance with a well-matured plan some time since perfected, and of which this movement is only a part.

It is authentically stated that quite a large body of men will assemble at this point for the ostensible purpose of entering Mexico to develop the mines, &c., but really their object is altogether a different one. At present there are no undue demonstrations, but at the same time a feeling of great insecurity prevails, because of the belief of an attempt at counter-revolution, outrages, and depredations, consequent on this frontier under similar circumstances. One G. Mirando, who was made mayor of the city by Colonel Machorro, publicly declared that he would drive every American out of the place. If any attempt is made to carry this threat into execution, trouble will ensue. The absence of troops here at the present time is greatly deplored.

I am, very respectfully,

S. C. SLADE,

Collector.

Hon. SECRETARY OF THE TREASURY,
Washington, D. C.

CUSTOM-HOUSE, EL PASO, TEX.,

Collector's Office, May 30, 1877.

SIR: I would respectfully request explicit instructions regarding my duty in case armed bodies of men crossing into Mexico at this port,

and quantities of arms and ammunition arriving here destined for Mexico.

I am, very respectfully,

S. C. SLADE,
Collector.

HON. SECRETARY OF THE TREASURY,
Washington, D. C.

Official copy of these papers referred, June 23, 1877, to General P. H. Sheridan, commanding Military Division of the Missouri, to instruct the department commanders of Departments of New Mexico and Texas to maintain a strict neutrality in any conflicts likely to arise on the Mexican border.

[Telegram.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, Ill., June 20, 1877.

General E. D. TOWNSEND,
Washington, D. C.:

The following dispatch from General Ord, dated Fort Clark, Tex., June 19, is respectfully forwarded:

"General Treviño, commanding here, of the Bravo, and two of his staff, came over with me from Duncan; gave him a review, &c.; went back yesterday. Good understanding between us on the basis of my instructions regarding prompt action to suppress marauding and the co-operation of our troops on both sides the river in necessary pursuits. Think he is satisfied that nothing but good can possibly result."

P. H. SHERIDAN,
Lieutenant-General.

WAR DEPARTMENT,
Washington City, June 23, 1877.

SIR: I have the honor to transmit, for your information, copy of a dispatch of the 20th instant, from General Sheridan, giving the report of General Ord, that the Mexican General Treviño and two of his staff had come from Fort Duncan to Fort Clark with him; that he had given a review, &c., and there was a good understanding between them in regard to the prompt measures to be taken for the suppression of marauding and the co-operation of the troops of both sides.

Very respectfully, your obedient servant,

GEO. W. McCORARY,
Secretary of War.

HON. SECRETARY OF STATE.

DEPARTMENT OF STATE,
Washington, June 27, 1877.

SIR: I have the honor to acknowledge the receipt of your communication of the 23d instant, respecting the good understanding between General Ord and the Mexican General Treviño, in regard to the measures to be taken for the suppression of marauding, and to inform you

that it has been read with gratification, as encouraging a hope of successful co-operation to put a stop to the raids from Mexico.

I am, sir, your obedient servant,

F. W. SEWARD,
Acting Secretary.

Hon. GEORGE W. MCCREARY,
Secretary of War.

[Telegram.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, Ill., June 25, 1877.

General E. D. TOWNSEND,
Washington, D. C.:

I was instructed by the Lieutenant-General, previous to his departure this morning, to forward the following dispatch:

“FORT CLARK, TEX., June 24.

“General DRUM, *Chicago, Ill.:*

“Colonel Martinez and party still here. They and their horses being fed. As they fled to the United States to save their lives and gave themselves and private arms up at the nearest station to protect themselves from attack on this side, I recommend their discharge and the restoration of private arms, on their giving paroles not to join any organized band while in the United States to war with people at peace with us.

A party of eighteen or twenty raiding Indians passed twenty-six miles north of this on the 21st, going for Mexico with stolen property. They killed a ranchman north of this. Rangers have the trail; troops following; will take it when it enters Mexico and follow with sufficient force to their camps if necessary.

“ORD,
“*Brigadier-General.*”

“R. C. DRUM,
Assistant Adjutant-General.

WAR DEPARTMENT,
Washington City, June 28, 1877.

SIR: I have the honor to transmit for you information a copy of a dispatch from General Ord, reporting that Colonel Martinez and party are still at Fort Clark, Tex., and being fed by the United States; he recommends their discharge and the restoration of their private arms upon condition of their giving their paroles. Also reports that a party of eighteen raiding Indians had passed twenty-six miles north of Fort Clark, and the intention of following them into Mexico if necessary.

Very respectfully, your obedient servant,

H. T. CROSBY,
Chief Clerk, for the Secretary of War, in his absence.

The honorable the SECRETARY OF STATE.

DEPARTMENT OF STATE,
Washington, July 2, 1877.

SIR: I have the honor to acknowledge the receipt of the letter of the 28th ultimo from the War Department, and, in reply, to state that no objection is seen to the discharge of Colonel Martinez and party, pursuant to the recommendation in General Ord's telegram.

I am, sir, your very obedient servant,

WM. M. EVARTS.

Hon. GEORGE W. McCRARY,
Secretary of War.

[Telegram.]

HEADQUARTERS OF THE ARMY,
ADJUTANT-GENERAL'S OFFICE,
Washington, July 5, 1877.

COMMANDING GENERAL

Military Division Missouri, Chicago, Ill.:

At instance of Department of State, approved by Secretary of War, the General of the Army directs that Colonel Martinez and party of Mexicans now held at Fort Clark, Tex., be discharged, and their private arms, &c., restored under conditions recommended by General Ord in his dispatch June 24, forwarded by you on the 25th.

Acknowledge receipt and report action.

THOMAS M. VINCENT,
Assistant Adjutant-General.

[Telegram.]

SAN ANTONIO, TEX., 6.

To DRUM, A. A. G., *Chicago, Ill.:*

Telgeram of 5th instant received, and Colonel Shafter informed as follows: The General of the Army directs that Colonel Martinez and party be discharged and their private arms and horses be restored to them, on condition that they give their paroles not to join any organized band while in the United States to war with the people at peace with us. Colonel Shafter was directed to acknowledge receipt.

ORD,
Brigadier-General.

TREASURY DEPARTMENT,
June 28, 1877.

SIR: I have the honor to inclose, for your information, copy of a telegram, dated 27th instant, from Cheney R. Prouty, collector of customs at San Antonio, Tex., in which he states that forty-three Mexicans, belonging to the Lerdo Tejeda party, crossed the Rio Grande into Texas, with their horses and equipments, and that they were followed and attacked by Colonel Garcia, of the Diaz party, and that the horses and arms were retained by the United States commanding general, to await further orders of the Secretary of War. I also inclose copy of a telegram sent to said collector to-day, giving him instructions in regard to the disposition to be made of said horses and equipments.

Very respectfully,

JOHN SHERMAN,
Secretary.

Hon. GEORGE W. McCRARY,
Secretary of War.

[Inclosures.]

SAN ANTONIO, TEX.,
June 27, 1877.

SECRETARY OF THE TREASURY,
Washington, D. C.:

On 11th instant, forty-three Mexicans, of Lerdo Tejeda party, after a defeat, fled from soldiers of Diaz party, and crossed Rio Grande into Texas near Pecos River. Were followed, attacked, and routed again by Colonel Garcia, of Diaz party. Thirty-nine Mexicans escaped, with horses and equipments, gave themselves up, and are now under control of military authorities at Fort Clark. On 19th instant, I demanded said horses, arms, &c., as contraband, and was informed by commanding general that said horses, arms, &c., would be retained until further orders, by order of Secretary of War.

In accordance with instructions of Secretary of State, General Ord this day verbally informed me that he had asked by telegraph that said Mexicans be released on parole, together with their horses, arms, &c. If released, shall I cause horses, arms, and equipments to be immediately seized as contraband?

CHENEY R. PROUTY,
Collector.

[Telegram.]

WASHINGTON, D. C., June 28, 1877.

CHENEY R. PROUTY,
Collector of Customs, San Antonio, Tex.:

President absent. Allow General Ord to dispose of horses and equipments as he deems best, upon orders given him. Do not seize them.

JOHN SHERMAN,
Secretary Treasury.

Copy of this correspondence furnished July 5, 1877, for the information of the commanding general Department of Texas, through headquarters Military Division of the Missouri.

[Telegram.]

SAN ANTONIO, TEX., June 27, 1877.
(Received, Chicago, June 27, 1877.)

ADJUTANT-GENERAL,
Chicago, Ill.:

The following just received from Devin, Fort Brown:

"My report of conference with General Canales already forwarded by mail. In addition thereto, the general came to Fort Brown yesterday, and informed me that his government had telegraphed him to abide by the arrangement entered into by Generals Ord and Treviño, and that, as soon as General Treviño would notify him of the details of said arrangements, he would inform me of the same. Please cause this telegram to be filed with my report, unless it reaches you earlier."

ORD,
Brigadier-General.

[First indorsement.]

HEADQUARTERS MILITARY DIVISION MISSOURI,

Chicago, June 28, 1877.

Respectfully forwarded to the Adjutant-General of the Army.
In absence of the Lieutenant-General,

R. C. DRUM,
Assistant Adjutant-General.

HEADQUARTERS DISTRICT OF THE RIO GRANDE,

Fort Brown, June 25, 1877.

SIR: Pursuant to instructions contained in your communication of 10th instant, I proceeded to the city of Matamoras, and placed myself in communication with General Canales, the Mexican commander on this line. I explained to the general the tenor and substance of my instructions from department headquarters in reference to the crossing of United States troops in pursuit of raiders and depredating parties, and invited his attention to the fact that by those instructions the same liberty of action was accorded to the Mexican authorities under similar circumstances or provocation, and asked his co-operation, and further that he should instruct his subordinates north of this point to co-operate with mine to a similar end.

It is evident to me that, although studiously polite and profuse in his expression of a desire to maintain friendly relations, the tenor of my instructions was not palatable to him. He expressed his willingness to co-operate in so far as he was empowered, but states that in the matter of permitting the crossing of United States troops into Mexico for that purpose, he would first have to communicate with his superior. I assented to the propriety of such action, and he then asked that if in the mean time, in my opinion, occasion called for the crossing of troops, what would be my action? I replied that under my instructions I should cross them without hesitation. This answer appeared to embarrass him, and after some little delay he remarked he would only "ignore" the fact of the crossing.

I asked him the relative status of General Treviño's command and his own, and he replied that they were independent of each other. I informed him that General Ord had conferred with General Treviño, and asked him if the latter had communicated with him (Canales) on the subject, and whether Treviño had entered into any arrangement. He replied that Treviño had informed him that he had made arrangement with General Ord, subject to the approval of the central government, which approval he, Canales, must also have before he could consider himself empowered to act, and desired that I should send him a copy of my instructions or a letter embodying their purport and substance.

To this I at first agreed, but not knowing the shape this matter might take, I concluded to first consult you, and shall telegraph for permission to furnish him the paper he desires.

As during the past year there has been an utter cessation of raids and depredations along the line under my command, I have no anticipation that I shall be called upon to act before such time as General Canales will be instructed by his government, if he is at all.

Very respectfully, your obedient servant,

THOMAS C. DEVIN,

Lieutenant-Colonel Eighth Cavalry, Commanding District.

The ASSISTANT ADJUTANT-GENERAL,

Headquarters Department of Texas.

Official copy respectfully furnished the assistant adjutant-general, headquarters Military Division Missouri, with the information that the reason why there has been no armed bands raiding in Colonel Devin's district is simply because until recently the parties in that vicinity (over the river) have been at war and in camps and fortifications near Brownsville, and so evenly matched that any attack from our troops on either party would have been fatal to the other, and both knew that Colonel Devin had orders to pursue any raiders straight to the camps or town of either of the contending parties.

Since the assumption of control by Canales the same orders exist, and I am glad to say that his enmity to Cortina and his former adherents is such that he is rather glad to deprive the latter of the supplies of beef which they used (when Cortina had his way) to draw regularly from Texas.

E. O. C. ORD,
Brigadier-General, Commanding.

[First indorsement.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, July 12, 1877.

Respectfully forwarded to the Adjutant-General of the Army.
In the absence of the Lieutenant-General commanding.

R. C. DRUM,
Assistant Adjutant-General.

[Second indorsement.]

ADJUTANT-GENERAL'S OFFICE,
Washington, July 17, 1877.

Respectfully submitted to the Secretary of War, with copy of this paper, also copy of telegram of June 27, 1877, from commanding general Department of Texas, for the information of the Department of State.

THOMAS M. VINCENT,
Assistant Adjutant-General.

5855.]

WAR DEPARTMENT, *July 19, 1877.*

SIR: I have the honor to transmit, for your information, copy of a letter from Lieutenant-Colonel Devin reporting the result of an interview with the Mexican General Canales, at Matamoras, on the subject of the troubles on the Rio Grande border, and his orders respecting the pursuit of raiders, accompanied by remarks by General Ord; also, copy of a telegram of June 27, 1877, from General Ord.

Very respectfully, &c.,

G. W. McCRARY,
Secretary of War.

To the Hon. the SECRETARY OF STATE.

[Copy of translation.]

EAGLE PASS, June 26, 1877.

Col. JOSÉ MARTINEZ,

Fort Clark :

MY DEAR FRIEND: As I promised you in the letter I sent you by Luna, I write you now to inform you of all I know positively, so that you may tell Firso, Prado, and the rest of the friends.

From reliable letters from Chihuahua, up to the 8th instant, we know that a certain chief named Ojinaga threatens that city, and keeps the whole country alarmed. Said letters assure that when once a few small difficulties which exist between some friends are arranged the Tuxtepecan administration of said State will violently disappear, because it will not have the support of the people.

The State of Colima pronounced entire, with its governor and legislature, and placed at the head of the federal troops, and of the State, General Angel Martinez, who immediately occupied the port of Manzanillo.

This notice is officially communicated to General Escobedo.

The Canton of Tepic arose in arms against Diaz for having turned out of the Tuxtepecan Congress the representative they had sent. This movement has caused similar action in the State of Jalisco, for Zapotlan, Zocoales, and other points have pronounced.

The State of Guerrero, with its port of Acapulco, is in possession of General Alvarez, who destroyed all the forces of Jiminez, and is now operating on the South Oaxaca.

Col. Julian Herrera has pronounced in the State of St. Louis, and we believe that General Petro Martinez has already pronounced, because Trevino has been hastily called to Monterey and Saltillo for the purpose of aiding St. Louis.

In the States of Michoacan, Queretaro, Chiapas, Tabasco, Morelos, Hidalgo, and Mexico there are guerrilla bands that have pronounced, and lately a brigade of 1,200 men pronounced within the city of Mexico, which I communicated to you by telegraph.

It is beyond a doubt that Diaz is going to fall, and that very soon, because he cannot rely on the army, and, moreover, there is opposition to him among his own partisans.

At present we can rely on many Tuxtepecan chiefs of the interior, who are disgusted with Diaz because he did not assign them, and also with the army, which is undermined.

The federal forces which Mier brought were taken away by Trevino. All this shows that they will pronounce with the greater part of their chiefs, who are already compromised, and we only await to arrange a few matters on this side.

Notwithstanding, before he left, we crossed fifty-seven men to this side, and all of them went with General Escobedo.

The towns of the district of the Rio Grande refused to give Fructoso men, and the greatest demoralization reigns among them, because they feel the coming storm that menaces them. Fructoso and Ramirez sleep out of town every night.

The general movement on the line of the Bravo is about to break out, for we were only waiting for the coming of General Escobedo to verify it.

Your time to come is approaching, as we are assured by Señor Escobedo, who has been consulting with General Ord upon that point.

The circumstance that General Ord left for San Felipe prevented you

from speaking to Escobedo, for I myself took the telegram asking that they should permit you to come and consult with him.

A courier that came from Laredo made no return from the post which is between this point and the place where you are, and for this reason General Escobedo had to leave before seeing you, which he desired to do.

Nevertheless, he will soon return, and will then know a good many important things. Be sure that whatever important news arrives you shall know, and the rest of the friends, because I will not be slow to communicate them.

To Firso, Prado, and the rest of the friends, and for yourself, kindest regards from me.

Without any more, receive the sincere friendship of your sincere friend, who appreciates you.

PEPE.

Petrita, the daughter of Valartin, is better.

A fair translation.

A. M. RAPHALL,
Lieutenant Eleventh Infantry.

[First indorsement.]

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., July 9, 1877.

A true copy, respectfully forwarded to the assistant adjutant-general, Military Division of the Missouri, for the information of the Lieutenant-General commanding.

E. O. C. ORD,
Brigadier-General, Commanding.

[Second indorsement.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, July 13, 1877.

Respectfully forwarded to the Adjutant-General of the Army.
In the absence of the Lieutenant-General commanding.

R. C. DRUM,
Assistant Adjutant-General.

[Third indorsement.]

ADJUTANT-GENERAL'S OFFICE,
Washington, July 18, 1877.

Respectfully submitted to the Secretary of War, with copy for the Department of State.

THOMAS M. VINCENT,
Assistant Adjutant-General.

5881.]

JULY 19, 1877.

SIR: I have the honor to transmit, for your information, translation of a letter from Pepe to Col. José Martinez, relative to political affairs in Mexico, giving the names of generals and others who have pronounced against Diaz, and stating it is beyond a doubt that the latter is going to fall very soon, with an indorsement by General Ord.

Very respectfully, your obedient servant,

GEO. W. McCRARY,
Secretary of War.

To the honorable the SECRETARY OF STATE.

TREASURY DEPARTMENT, *June 26, 1877.*

SIR : Respectfully referring to the letter of this department, addressed to you on the 18th instant, inclosing copies of letters from the collector of customs at El Paso, Tex., concerning the movements of insurrectionary forces on Mexican soil, I have the honor to inclose herewith copies of two additional letters from said collector, dated 5th and 9th instant, relating to the same subject.

Very respectfully,

JOHN SHERMAN, *Secretary.*Hon. GEORGE W. McCrary,
*Secretary of War.*CUSTOM-HOUSE, EL PASO, TEX.,
Collector's Office, June 5, 1877.

SIR : I have the honor to inform you that last night Colonel Machorro, leader of the Lerdo party, who has been in peaceable possession of the town of Paso del Norte, Mexico, for the last ten days, was attacked by an armed force of two hundred and fifty men from Paso del Norte and surrounding towns. A fight ensued, the result of which was that Colonel Machorro's forces were utterly routed; quite a number on both sides being killed and wounded; Colonel Machorro and his officers fleeing to this side of the river for protection. The fight being over, the victorious party, having taken possession of the town at midnight, assembled with the avowed purpose of crossing the river and forcibly seizing Colonel Machorro, his officers, and other citizens of Chihuahua, who had been for months residing on this side of the river. The citizens of this town, learning of this movement, and apprehending serious trouble, at once assembled and organized themselves for protection.

To-day, the self-constituted commander-in-chief of the rabble which has succeeded in taking possession of El Paso, Mexico, has demanded that Colonel Machorro, his officers, and all other Mexican political refugees sojourning on this side the river, be given over to them under the extradition laws.

The answer of the district judge has not been given as yet.

I am, very respectfully,

S. C. SLADE, *Collector.*

Hon. SECRETARY OF THE TREASURY.

CUSTOM-HOUSE, EL PASO, TEX.,
Collector's Office, June 9, 1877.

SIR : Since the 5th instant, the date of my last, concerning the Mexican revolution at this point, nothing new has transpired. The town of El Paso, Mexico, is still in the hands of the people who wrested it from Colonel Machorro.

It is ascertained that shortly after Colonel Machorro took the place, he levied a "prestimo" of one and one-half cent, according to the tax-rolls, and attempted to collect it. The poorer people complained and demurred, whereupon Colonel Machorro threatened imprisonment and shooting. These threats excited and aroused the people to the determination to drive Colonel Machorro and his followers out of the place, which they did on the 4th instant.

Colonel Machorro and his followers are now on this side the river. Both parties are preparing and strengthening themselves; one with the determination of returning into Mexico and retaking the place, and the other for the purpose of resisting. A sharp conflict is anticipated. All communication with the interior cut off, and business at an end.

I am, very respectfully,

S. C. SLADE, *Collector.*

HON. SECRETARY OF THE TREASURY,
Washington, D. C.

Referred from War Department to General of the Army, and copy furnished July 5, 1877, for the information of the commanding general Military Division of the Missouri.

Copies of papers relating to the condition of the Mexican border of Texas, and to violations of the territory of the United States, by incursions from Mexico, since March 3, 1877.

PART II.

MISCELLANEOUS REPORTS AND CORRESPONDENCE FROM JULY 6 TO NOVEMBER 3, 1877.

Official:

E. D. TOWNSEND,
Adjutant-General.

WAR DEPARTMENT,
ADJUTANT-GENERAL'S OFFICE,
Washington, November 7, 1877.

[Telegram.]

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., July 6, 1877.

DRUM, *Assistant Adjutant-General,*
Chicago, Ills.:

The following is brief of letter received on the 3d instant from General Trevino:

"I have received instructions from my government relating to frontier affairs. Would like to confer personally with you on the subject, but bad health prevents. Will send a commissioner soon with the instructions, meanwhile pray order the chiefs along the line not to trespass beyond the territorial limits of Mexico, as you indicated to me privately. Have taken measures to move some troops of my division to give security to frontier villages and to apprehend the savage tribes that reside in the forests of the same. I do not believe that on this account there will be motive to resort to that measure. (Ord presumes he refers to measure of crossing.) I rest, nevertheless, in confidence that you have ordered

that armed parties be not allowed to organize in Texas to invade Mexico under any pretext. The new era of progress in Mexico is going on peacefully. Confidence reigns in all parts."

To which I answered July 4 and, after referring politely to the other matters of his letter, said:

"I am sorry to inform you that since I had the pleasure of your visit a large band of Lipan savages have committed another aggravated raid into Texas, carrying off or killing over a hundred horses, and grievously wounding one peaceable citizen; that the trail as far as found leads into the unexplored and desert mountains of the North Coahuila or Southern Chihuahua, where Mexican troops, I believe, seldom penetrate; and as your letter states that the disposition of your troops has been made for the protection of your frontier villages, it will take them far from the refuge of the savages. I could not, with due regard to my orders, even were I so disposed, arrest the pursuit of them while there is a prospect of their being overtaken. In the matter of invading bands into Mexico, I have given strict orders that, as far as the use of our troops can prevent, armed bands of revolutionists shall not violate our neutrality by invading Mexico. One such band, about whose intentions doubts exist, is still held as prisoners. I only wish your force and the condition of your frontier were such that you, general, could arrest and hold in the same way the band of savages which have just committed the outrageous raid into this country and retreated into Mexico with their plunder.

"E. O. C. ORD."

I have to add that the troops are on the trail of last party of raiders, and will, if they have not done so, follow them into Mexico. General Treviño was furnished with copy of my instructions, and informed that they would be executed. He asked that regulars under discreet officers only be allowed to cross.

ORD,
Brigadier-General.

[First indorsement.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, July 7, 1877.

Respectfully forwarded to the Adjutant-General of the Army.

In the absence of the Lieutenant-General commanding,

R. C. DRUM,
Assistant Adjutant-General.

[Second indorsement.]

ADJUTANT-GENERAL'S OFFICE,
Washington, July 10, 1877.

Respectfully submitted to the Secretary of War, with copy for the Department of State.

THOMAS M. VINCENT,
Assistant Adjutant-General.

WAR DEPARTMENT,
Washington, July 10, 1877.

SIR: I have the honor to transmit for your information copy of a brief of a communication received by General Ord, commanding the Depart-

ment of Texas, from the Mexican General Treviño, on the subject of raids, and the organization of parties in Texas with the object of invading Mexico, and of the reply of General Ord thereto.

Very respectfully, your obedient servant,

H. T. CROSBY,

Chief Clerk, for the Secretary of War, in his absence.

HON. SECRETARY OF STATE.

DEPARTMENT OF STATE,

Washington, July 10, 1877.

SIR : I have the honor to append for your information a copy of a telegram dated the 7th instant, from Brigadier-General Ord, in relation to unexplored country in Mexico used by raiders.

I am, sir, your obedient servant,

WM. M. EVARTS.

Hon. GEORGE W. MCCRARY,

Secretary of War.

[Telegram.]

SAN ANTONIO, TEX.,

July 7, 1877.

To F. SEWARD,

Assistant Secretary of State, Washington, D. C.:

Mr. Mata may deny that there is unexplored country in Mexico used as refuge by raiders, as stated in my telegram sent through division yesterday. If so, you can refer him to my telegram to Adjutant-General of to-day.

ORD,

Brigadier-General.

HEROIC MATAMORAS, *June 30, 1877.*

MY DEAR SIR : I have been ordered by the Government of Mexico to report all the information relative to the manner that security is maintained on this frontier, in the line under my command, which includes from Bagdad to New Laredo.

At the two conferences at which I had the honor to assist with you, I heard it with satisfaction expressed that the government at Washington had informed you that in the territory under your command on the left bank of the Bravo, and parallel to that which is under my vigilance on the right—that since my presence on this frontier no invasion of Indians or cases of robbery have taken place in the territory of the United States; and it will be very gratifying to me to render this information, if this opinion can accompany it, in writing. If this meets with your views have the kindness to signify the same in your answer to this letter.

SERVANDO CANALES.

Lieut. Col. I. C. DEVIN,

Commanding District of the Rio Grande, Fort Brown, Texas.

A fair translation :

A. M. RAPHALL,

Lieutenant Eleventh Infantry.

[Indorsements.]]

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., July 10, 1877.

Respectfully forwarded to the Adjutant-General of the Army for the information of the Secretary of War.

E. O. C. ORD,
Brigadier-General U. S. A., Commanding.

ADJUTANT-GENERAL'S OFFICE,
Washington, July 17, 1877.

Respectfully submitted to the Secretary of War, with copy for the Department of State.

THOMAS M. VINCENT,
Assistant Adjutant-General.

WAR DEPARTMENT,
Washington City, July 19, 1877.

SIR: I have the honor to transmit for your information a copy of a communication from General Servando Canales, a commander of Mexican troops on the Rio Grande frontier, to Lieutenant-Colonel Devin, commanding district of Rio Grande, stating that he has been ordered by the Government of Mexico to report the manner that security is maintained on the Mexican border.

Very respectfully, your obedient servant,

GEO. W. McCRARY,
Secretary of War.

Hon. SECRETARY OF STATE.

[Telegram.]

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., July 7, 1877.

TOWNSEND, *Adjutant-General,*
Washington, D. C.:

Following just received. It accords with my reply to Treviño's letter, telegraphed to division yesterday. I telegraphed Shafter no necessity of following trail of Indians to where already punished by Bullis, but look close for that made by the party that raided on the Nueces.

ORD,
Brigadier-General.

"FORT CLARK, July 7, 1877.

"General ORD: Had all ready to cross to-morrow in support of Bullis and Hunt. This a. m. at 2 o'clock Bullis came in alone, having raided one hundred and forty miles in thirty-six hours. Bullis, in coming down from Davis, struck the trail of the Indians from Gillespie County half way between the Pecos and Rio Grande, just before night on the 29th June, and only three or four hours behind them. He followed to Rio Grande and crossed river, drowning two of his horses, and on third day came on them as they were resting. He attacked them at once. In-

dians retreated to a mountain, fighting. After an engagement of one hour, they all managed to escape, some of them wounded.

"Bullis got all of the horses but two. The fifty reported by General Clitz as passing Point Rock Spring are all accounted for—eight left on trail and six killed while rangers were on trail, nine while Bullis was on trail, two taken away by an Indian, and twenty-three captured by Bullis. He also found at the camp parts of the harness taken from Johnson, on the Nueces, showing that some of the band that scattered after that affair had got with the party raiding in Gillespie County, probably joining them in Mexico, as they went out ten days first. Bullis reports the Indians as Lipans, and that he saw no signs to indicate that they were near their village. This is likely near some of the towns.

"I have ordered companies to stop as they are until your orders are received. The trail followed by Bullis is the only plain trail that we know has lately crossed, and as the Indians who made it have been caught, I will not go on without further orders, as Lieutenant Bullis reports it impossible to follow trail from where he struck them, and scouting on the other side would have to be for the Indian camps or anything that might turn up.

"SHAFTER,
"Lieutenant-Colonel."
ORD,
Brigadier-General.

[Indorsement.]

ADJUTANT-GENERAL'S OFFICE,
Washington, July 9, 1877.

Respectfully submitted to the Secretary of War, with copy for Department of State.

THOMAS M. VINCENT,
Assistant Adjutant-General.

WAR DEPARTMENT,
Washington City, July 9, 1877.

SIR: I have the honor to transmit for your information copy of a telegram from Colonel Shafter, dated Fort Clark, Texas, July 7, 1877, reporting the crossing into Mexico, and the result of an engagement between United States troops and Indians, and the recapture of stolen stock.

Very respectfully, your obedient servant,

H. T. CROSBY,
Chief Clerk, for the Secretary of War, in his absence.

Hon. SECRETARY OF STATE.

[Telegram.]

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., July 16, 1877.

ADJUTANT-GENERAL, Washington, D. C.:

The following is copy of letter brought by Mr. Villareal.

"CONSTITUTIONAL ARMY, NORTHERN LINE.

"GENERAL IN CHIEF: In compliance with orders received from the

government of my country, and the offer that I made you, Mr. Viriano L. Villareal visits you to place in your hands a copy of the instructions that I received from my government to confer or treat with you on the points that these instructions cover, and to let you know the steps that had been taken by me to prevent robberies being committed on the two sides of the Bravo, and to arrest and punish in a proper manner the delinquents who seek with the impunity of their crimes to hide themselves on the sides opposite to where they commit robberies. Consider the understanding that I and you have as much to do over this as that we shall guard by our respective forces the parts of the territory that correspond to our respective nations. I pray you that you will give entire credit to anything which my commissioner may communicate to you—hear him with attention, for it depends in the greater part on the judgment that you may form of the matter as to peace between both nations.

“With this motive, I have the honor to present to you my respects.

“Liberty in the constitution.

“Monterey, July 1, 1877.

“G. TREVIÑO.

“General E. O. C. ORD,

“*Major-General U. S. Army, San Antonio.*”

[Indorsement.]

ADJUTANT-GENERAL'S OFFICE,

Washington, July 17, 1877.

Respectfully submitted to the Secretary of War, with copy for the Department of State.

THOS. M. VINCENT,

Assistant Adjutant-General.

WAR DEPARTMENT,

Washington, July 18, 1877.

SIR: I have the honor to transmit for your information a copy of a communication, forwarded by General Ord, from General Treviño, commander of the Mexican forces, relative to the troubles on the Rio Grande border, and the instructions received by him from his government to confer with General Ord on the subject.

Very respectfully, your obedient servant,

GEO. W. McCRARY,

Secretary of War.

Hon. SECRETARY OF STATE.

DEPARTMENT OF STATE,

Washington, July 17, 1877.

SIR: I have the honor to inclose for your information a copy of a telegram just received from John W. Foster, esq., United States minister to Mexico.

I have the honor to be, sir, your obedient servant,

F. W. SEWARD,

Acting Secretary.

Hon. GEORGE W. McCRARY,

Secretary of War.

[Telegram.]

UNITED STATES LEGATION,
Mexico, July 9, 1877.

(Forwarded by telegraph from New Orleans by Postmaster Parker.)

Hon. W. M. EVARTS, *Secretary of State, Washington, D. C.:*

Diaz disavows completely the Mexican violation of American territory, and promises prompt investigation, reparation, and punishment, but also expects modification of instructions to Ord. Details by mail.

JOHN W. FOSTER.

[Telegram.]

SAN ANTONIO, TEX., July 13, 1877.

General TOWNSEND,
Adjutant-General, Washington, D. C.:

To-day Mr. Villareal presents a letter from General Treviño, with a copy of the latter's instructions from Mexico, which are to the effect that he must use force to repel crossing into Mexico as a violation of treaties, &c. He requests that I suspend crossing my troops until treaty can be made to provide against raiding. Have answered him that my instructions require me to cross after raiders as long as they are permitted to cross from other side, and their plunder is not returned, but will forward his request; and I now ask, are my instructions still in force? Am massing troops enough to cross if necessary, notwithstanding any force likely to be brought against them.

ORD,
Brigadier-General.

[First indorsement.]

ADJUTANT-GENERAL'S OFFICE,
Washington, July 14, 1877.

Respectfully submitted to the Secretary of War, with copy for Department of State.

THOMAS M. VINCENT,
Assistant Adjutant-General.

[Telegram received in cipher from San Antonio, Tex., July 14, 1877.]

To ADJUTANT-GENERAL, *United States Army:*

I don't wish my telegram of yesterday to be understood as asking new instructions. Those I have will achieve the desired result, for, rather endure the expense and unpopularity consequent upon keeping nearly everybody in the field to meet the respectable force I am collecting to follow raiders' attack, Treviño will soon feel disposed to follow and settle with them himself, and thus make it unnecessary for me to do so. The grazing near Fort Clark is so good this season that it is economy to assemble my cavalry there. The troops move with government transportation.

ORD,
Brigadier-General.

[Telegram.]

HEADQUARTERS OF THE ARMY,
ADJUTANT GENERAL'S OFFICE,
Washington, July 14, 1877.

General ORD,

Commanding Department of Texas, San Antonio :

Your telegram of yesterday received. The Secretary of War directs that you ascertain and report what force General Treviño has under his command, where they are stationed, and whether, in your judgment, he has the ability at such points and the disposition to aid effectively in suppressing raids, and to capture and return stolen property which may be carried across the border. You will also telegraph, for the information of the Secretary, General Treviño's letter and his instructions, to which you refer.

The Secretary further communicates to you that your orders heretofore given are in all things confirmed. They do not contemplate your passing the border in pursuit when there is a Mexican force ready to execute the duty of suppressing and punishing these predatory incursions into our territory.

When a Mexican force is present to intercept retreating raiders you will leave the performance of that duty on the Mexican side of the line to such force.

In each case report promptly the occurrence and the result of the Mexican dealing with the marauders.

THOMAS M. VINCENT,
Assistant Adjutant-General.

[Telegram.]

ADJUTANT-GENERAL'S OFFICE,
Washington, July 14, 1877.

General DRUM,

Headquarters, Chicago, Ills.:

An important telegram, relating Mexican-border affairs, has this date been sent direct to General Ord. Copy to your headquarters by mail.

VINCENT, A. A.-G.

WAR DEPARTMENT,
Washington City, July 17, 1877.

SIR: I have the honor to transmit for your information copy of a telegram of the 14th instant to General Ord, confirming and explaining previous instructions, and directing him to ascertain and report as to the efficiency of General Treviño's force to suppress raids and return stolen property, and to telegraph Treviño's letter and instructions previously referred to. Also copy of a telegram of same date from General Ord in regard to his plans.

Very respectfully, your obedient servant,

GEO. W. MCCRARY,
Secretary of War.

Hon. SECRETARY OF STATE.

[Telegram.]

SAN ANTONIO, TEX.,
July 16, 1877.

GENERAL VINCENT,

Assistant Adjutant-General, Washinton, D. C.:

In reply to telegram of yesterday, I report the impracticability of learning the number or stations of General Treviño's forces, which have no field-stations, and extend over four States, mainly deserts. They are estimated from four hundred to three thousand. Think him unable to suppress raiding unless assisted by people of frontier towns, who deal in stolen horses, and might render that aid if under great apprehensions. I think he is disposed to yield to their wishes and promise as usual. Translation of his letter will be telegraphed. The orders he sends are the same as presented by Mr. Mata to the cabinet June 2, and published in the daily papers; shall I telegraph them? They contain some fourteen hundred words. Mr. Villareal says that Treviño has or will have four hundred men to operate against raiding Indians. From what I hear, his cavalry are partly mounted on horses stolen from this side by Indians.

ORD,
Briadier-General, Department Texas.

[First indorsement.]

ADJUTANT-GENERAL'S OFFICE,
Washington, July 17, 1877.

Respectfully submitted to the Secretary of War, with copy for the State Department.

THOMAS M. VINCENT,
Assistant Adjutant-General.

[Telegram.]

HEADQUARTES OF THE ARMY,
ADJUTANT-GENERAL'S OFFICE,
Washington, July 16, 1877.

General ORD,

San Antonio:

Your telegram, reporting impracticability of learning number Treviño's forces, and asking if you shall send orders, as presented by Mata to cabinet, received. You need not send said orders. Prior to receipt your telegram, I had telegraphed you, and referred to slip received from our minister to Mexico.

VINCENT, A. A. G.

WAR DEPARTMENT,
Washington City, July 18, 1877.

SIR: I have the honor to transmit, for your information, a copy of a telegram of the 16th instant from General Ord, reporting the estimated number of General Treviño's force on the Rio Grande border, and ex-

pressing the opinion that General Treviño will be unable to suppress the raiding unless assisted by the frontier people who deal in plunder.

Very respectfully, your obedient servant,

GEO. W. McCRARY,
Secretary of War.

Hon. SECRETARY OF STATE.

[Telegram.]

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Texas, July 18, 1877.

ADJUTANT GENERAL,
Washington D. C.:

The following just received from Shafter:

"Following just received: 'Ellis and Van Vliet go down to Frio and Sabinal.'

"CAMP WOOD, July 18.

"Colonel SCHAFTER:

"Indians reported here on 15th, all on foot; have not stole horses yet. Believe they will go to Frio and Sabinal Canyons. Can you send detachments down main road as far as Uralde or Dhanis? Will let you know anything further.

"PAT DOLAN,
"Lieutenant, Commanding Company F."

No doubt these Indians will get off with a herd of horses, about full moon, for Mexico; have heard of Treviño's troops only at Piedras Negras and Laredo. Should my troops strike the raiders' return trail, are they authorized to cross on it at other points than those named?

ORD,
Brigadier-General.

WAR DEPARTMENT,
Washington City, July 19, 1877.

SIR: I have the honor to transmit for your information copy of a telegram, dated yesterday, from General Ord, communicating a dispatch from Colonel Shafter, in regard to raids, and asking if his troops shall cross into Mexico, in pursuit of raiders, at other points than where Treviño's troops are stationed.

Very respectfully, your obedient servant,

GEO. W. McCRARY,
Secretary of War.

Hon. SECRETARY OF STATE.

[Telegram.]

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., July 19, 1877.

ADJUTANT-GENERAL,
Washington, D. C.:

To explain telegram of yesterday, there are scattered along the Rio Grande, in Coahuila, ranches, and at long intervals, villages, as high up

H. Ex. 13—12

as the mouth of San Felipe, near where I have a cavalry company ; above that the country is almost a desert ; even Mr. Villareal stated to me that it would have to be explored before their troops could operate in it. The Lipan Indians trade among the villages west and southwest of Eagle Pass, but hide their stolen plunder in, and when pressed go to, the mountain and desert district laid down on sheet No. 2, Gillespie's map, of 1876, of the Western Territories, as "*Terreno Desconocido*," and on the last French map in General Humphreys's office as "*Pays inexploré*." Here it was that Bullis followed them lately. Now, if I cross on trails below San Felipe, my troops may find some detached party of irregulars or troops from the towns come to oppose them, but there is hardly a probability of opposition if trails are followed across above San Felipe.

Every effort has been taken on my part to learn stations of Mexican troops, and I have sent Treviño copies of my last instructions, asking to be (in accordance with his instructions from his government) furnished with disposition of his troops to apprehend and punish raiders, that I may better carry out my instructions in the premises.

ORD,
Brigadier-General.

[Telegram.]

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., July 19, 1877.

ADJUTANT-GENERAL,
Washington, D. C. :

I yesterday telegraphed Major Schofield to notify Treviño, or the commandante of Mexican forces around Piedras Negras, General Naraujo, that Indians were again in Texas from Mexico, and would probably cross back below Fort Duncan when they went out with the plunder, asking his efforts to arrest them. His reply shows what I may expect from their efforts. It is as follows :

PIEDRAS NEGRAS, 1877. (Received at San Antonio, July 19, 11.40 a. m.)

To General E. O. C. ORD :

By the communication which you have been pleased to transmit to the commanding officer at Fort Duncan, I am informed that a party of Indians have crossed into Texas, and who will very likely take the direction of this side of the Rio Grande or its vicinity. On my part, I have taken steps conformable to the forces that I have scattered on this line, in order that they pursue if they come and cross over ; and if they are not persecuted with tenacity at the moment, it is on account of the alarm and constant threatening in which the inhabitants are thrown by Weircar and Escobedo, caused by the organizing of forces, which they have been doing for many days, in the villages of this line ; but as soon as all this ceases I shall commence the campaign against them, according to superior orders that I have.

NARANJO.
ORD, *Brigadier-General.*

DEPARTMENT OF STATE,
Washington, July 21, 1877.

SIR : I have the honor to acknowledge the receipt of your three letters, dated, respectively, the 17th and 18th instant, in relation to affairs on the Rio Grande border.

I am, sir, your obedient servant,

WM. M. EVARTS.

Hon. GEORGE W. MCCRARY,
Secretary of War.

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., July 11, 1877.

SIR: I have the honor to inclose for the information of the proper authorities a letter from Judge Noonan, of this judicial district, State of Texas, who was (at the time he refers to, when steps were taken by him to secure by extradition raiding Lipans) the commissioner authorized under the treaty to act in the premises. I presume the papers giving the names of the Lipans then called, and the replies of the Mexican authorities to his call, will be found in the archives of the State Department; no trace of the copies sent through the headquarters of the military district of Texas is to be found here.

I send this information in order that should the Mexican commissioner, now at Washington, offer to extradite Indian raiders now harbored in Coahuila, it can be seen what has already been attempted in the premises on our part.

Should the Mexican Government be in earnest in the matter of extraditing them, it will have to send a larger and more earnest force than it now has in Coahuila to hunt down and secure the raiders, and to take more positive measures than have ever been yet attempted to punish its citizens for complicity in the raids by purchasing the stolen property of the Indians, and even making bargains beforehand with them to deliver horses or cattle, knowing that they could only be obtained by robbery from the United States.

At present the troops occupying the towns on the frontier of Coahuila are, if my information is correct, composed mainly of levies upon the population of those towns, and who themselves are the instigators to and partakers of the plunder obtained from the United States. As long as this is the case, earnest efforts on the part of such troops to cut off their own supplies cannot be expected; on the contrary, I think it likely they will aid in resisting or defeating every attempt, especially of a small force, to recover stolen stock or the apprehension of the thieves.

In this connection, if my present orders are to be executed, as I sincerely hope they will, I have respectfully to apply for another regiment of cavalry, preferably the Fourth.

I am, sir, very respectfully, your obedient servant,

E. O. U. ORD,

Brigadier-General U. S. Army, Commanding.

The ADJUTANT-GENERAL U. S. ARMY,
Washington, D. C.

JULY 10, 1877.

DEAR SIR: In reply to your inquiry of to-day, I can only make a cursory statement from memory.

In the years subsequent to the war, the Indians were exceedingly troublesome on the Mexican border. In the year 1867, I demanded the extradition of several Lipan Indians who were fully identified as the depredators in a couple of the more recent raids. The testimony against these Indians was furnished by captives who escaped. Upon this testimony, and the corroborating circumstances, the guilty parties were duly indicted in the counties of Uvalde and Barrantes, where the offenses were committed. These indictments were the basis of the demand for the extradition of the criminals. All the formalities required by the treaty and usual in making a demand upon the authorities of a foreign country were strictly complied with. The Indians were named and their

whereabouts in Mexico specified. The Mexican authorities, including the governor of Coahuila, expressed a willingness to carry out in good faith the provisions of the treaty, and yet nothing was accomplished. Finally, after a great deal of delay, the local Mexican authorities acknowledged their inability to give effect to the treaty. Then an effort was made by me to bring the whole matter before the National Governments of Mexico and the United States. To that end, papers were sent to Mexico, through the United States consul at Monterey, Joseph Ulrick, esq., now a citizen of this city, and papers were mailed by me to the Hon. William H. Seward, Secretary of State of the United States. Papers were also sent by me to General Reynolds, then commanding this department, and thus the matter terminated without attaining any satisfactory result.

Yours, truly,

G. H. NOONAN.

General ORD, *San Antonio.*

JULY 19, 1877.

SIR: I have the honor to transmit, for your information, copy of a telegram of the 11th instant, from General Ord, communicating a letter to him from Judge Noonan, showing the efforts heretofore made with Mexico to extradite certain Indian raiders, and giving his opinion as to the disposition and ability of Mexican authorities to prevent raiding, and asking, if his present orders are to be executed, for another regiment of cavalry.

Very respectfully, your obedient servant,

GEO. W. MCCRARY.

Secretary of War.

WASHINGTON, D. C., *June 20, 1877.*

MY DEAR GENERAL: I went the next morning after I had the pleasure of seeing you for the information I promised you, but it was "Decoration Day" and the office was locked up. I made after several efforts to see you, but you was out.

I have since copied the inclosed extracts from Major Lowry's letters, as there are many things in them may interest you. Major Lowry was an officer in the Second Dragoons and served in the Florida war. He resigned and was over fifteen years director of the Delores silver-lead mines at Vallecillo, about sixty miles from Laredo, and is well posted on Mexico and the situation of affairs in the region of the Rio Grande. He had the faculty of not offending either parties in their numerous pronunciamientos, frequently giving them provisions and occasionally power not to be molested. He came home a little more than a year ago, and we have replaced him as director by John Sutcliffe, of Poughkeepsie, N. Y. Our letters to the mines are sent to the post-office at Laredo, to where he sends a weekly express.

I will write to him to-day to keep me posted with the Mexican news he can gather. He is in communication with Monterey, as we arrange our financial affairs with their merchants. We haul our lead from the mines to Laredo, to Corpus Christi, and by sea to New York.

On the 4th February, 1860, while I was in command of expedition against Cortina, I wrote to the Adjutant-General, S. Cooper, in Washington, saying the only way to prevent these raids was to cross the river, or, better, to occupy the other side. On the 24th February, 1860,

the Adjutant-General sent an order to Col. R. E. Lee, then commanding the department, if necessary, to pursue beyond the limits of the United States.

Before this order was issued I had taken the responsibility and crossed the river. Captain Stoneman's company pursued eighty miles into the interior.

I remain yours, truly,

S. P. HEINTZELMAN.

General E. O. C. ORD, U. S. A.,

Commanding Department of Texas, San Antonio, Texas.

[Extract.]

DOLORS MINE, MEXICO,
November 24, 1872.

MY DEAR GENERAL: I received your valued favor of October 25th on the 16th instant. * * *

To add to the difficulties, we now have the periodical Indian blockade between Laredo and Corpus Christi. I am only enabled to send this letter from the fact that some of the cart-owners are going to look after their carts in the above train, in consequence of the Indian news.

A letter from Laredo, dated 22d instant, says the train has not been heard of there at that time, and this has given rise to a report that it has been destroyed, which I do not believe, however. * * *

Whatever his recommendations may be, I have no hesitation in saying, after my now fifteen years' experience here, at a point only sixty miles from the river, that there will be no change in the state of affairs until the United States procures this portion of Mexico.

A very short statement, made on my personal knowledge of many cases occurring in the town of Vallecillo, which, as you know, is partly built on and over the works of this mine, and which you are at liberty to communicate to whom you please, will, I think, satisfy you that I am correct in my opinion.

Every one knows of the depredations, &c., on the other side of the river; but what is not known and would not be found out, even by a United States commission, is the fact that in the great majority of these cases the actual individual depredators are merely paid agents of wealthy employers, living anywhere from the river to as far in the interior as Zacatecas and San Luis.

I can name several men here in Vallecillo, who were formerly miners in my employ, who for years past have been professional cattle-thieves under regular contracts made with actual alcaldes and judges of the town. For instance, a certain person, the principal citizen of the place, for many years first alcalde and military commandante of the district, has repeatedly furnished the funds and equipped various parties to go to the other side, the agreement being that they were to receive certain pay, successful or not; that, being successful, then they were to receive so much per head of animals brought, the percentage being regulated by a sort of sliding scale—a large per cent. on a small number, and a lesser per cent. as the number increased. These transactions are and have been public; it has been the talk, for instance, that so and so are ready to go; have been offered so much by so and so; are holding off for higher prices; that it is worth more, &c., because such a man was caught and hung the other day.

Some secrets of these trips are never known in detail, as in a case, which I well remember, one of these men left here very poorly mounted, and in due time he returned here on a really fine horse, splendidly equipped in every respect, with a pair of silver and ivory mounted revolvers, &c. It was considered somewhat too much of a risk to keep such an outfit here, and the whole was hurried off to the interior, furnished with proper passport, &c., on sealed government paper, issued in legal form from the alcalde's office, with the two necessary official witnesses.

Of late years, the increase arising from this quasi-legalized robbery has been the only reason why the offices of alcalde and judges have been sought by rival parties. For some time after I came here, it was difficult to find any one willing to be elected to office, as the government does *not pay anything* in the way of salary to such officers, excepting in the large cities, Monterey, &c. It does allow them to make what they can, and in any way they can. Thus, some years ago, the authorities here, seeing so many droves of cattle *pass by*, concluded to turn it to good account, and levied a tax of 50 cents per head, at the same time giving regularly certified papers of importation, &c., on sealed paper, in exchange for the tax. These papers made the cattle and horses so covered *legal property* of the thieves, and no one could go behind the papers.

In a short time this was found to be too good a thing to be left to the insignificant town of Vallecillo, and an order came from the very head-fountain of power in this district, the jefe politico—Anglice, “political chief”—in Villadama, that cattle passing here were only to receive documents *good as far as Villadama*; there the process was repeated, and it is a well-known fact that it was made such a profitable business there that it actually caused a pronunciamiento and an armed revolution, lasting, if I remember rightly, some weeks. I do not state what follows of my own knowledge, but I think the Monterey authorities finally stepped in and required the tax to be accounted for as a *revenue of the state*, the alcalde and judges collectively being allowed a commission of 6 per cent. on the amount collected.

I remember on one occasion going to the water-pond, just within the gate or the hacienda where the mine-water runs, to see an uncommonly large drove of very fine cattle, between 400 and 500 head. When I went out only the Mexican drivers were with the cattle, but in a short time two Americans came on a canter from Vallecillo, and, seeing me, came to where I stood and entered into conversation. In a short time I learned from them they had been for the documents, and had made it all right; leaving them and coming inside, my road lay close along the wall of the hacienda, and being hidden from them they supposed I was out of hearing. I heard the leader call the drivers together and tell them that he had paid for only about half the number, and that they must rush the drove through the town that it might not be found out, &c. Two days afterward a party of four or five Americans arrived here at sundown in pursuit. Notice was at once sent off to the drove that they might take the mountain-paths by Minas Vijas and other points. The alcalde would not give the documents to the pursuers, on some pretext, until late the next day, and the result was that in various ways the pursuers had to return as they came.

I have mentioned that the alcalde delayed the pursuers an entire day, as above. On the other hand, I remember one night, as late certainly as 11 o'clock, being much annoyed by what I supposed to be the Vallecillo cattle herding for the night directly behind my house. I sent

the watchman out to drive them away. He came back telling me that it was a drove of stolen cattle, the head-man had gone for the papers, and they would move on as soon as he came back, which they did shortly afterward.

Very frequently the ayuntamiento take their pay in beeves, and it has long been a standing order to my cook that when he has Texas beef, he is always to serve beefsteak and roast tenderloin alternately; on other occasions steak, roast, or stew, as he thinks the meat admits. * *

I am, truly, your friend,

A. LOWRY.

Maj. Gen. S. P. HEINTZELMAN, U. S. A.,
1123 Fourteenth Street, Washington, D. C.

DOLORES MINE, MEXICO,
November 23, 1873.

MY DEAR GENERAL:

* * * * *

Mexican affairs seem to have gone out of sight in the United States, as I have not seen any reference to them since the commission returned from the Rio Grande.

Affairs on the Rio Grande have gone on in the mean while in the usual way, if not in fact a little more so, as regards thieving. An incident happened here in this connection a short time ago, which, told by an irresponsible person, might seem to be an attempt at a very strong joke. The thief whom I referred to in a previous letter as having gone to Texas as a beggar and returning with five horses, equipments, revolvers, &c., has been met on such an expedition several times recently; on one of these occasions his companions returned and stated their belief that he had been captured and probably hung. There was great lamentation in Vallecillo; and as two or three weeks passed away without his returning, his relations had masses said and the church-bells tolled, as usual, for so devout a Christian. The very next day he returned, bringing with him four fine American horses, (two of them stallions,) and accompanied by two other strange thieves. *Again the church-bells were rung*, this time a hnelga or a joyous peal, as we would call it, and the alcalde gave a license (price 50 cents) for a night of debauch and riot in Vallecillo, the firing of rockets, guns, &c. The same men returned with some horses last week, and I believe go back again this week. This and the setting out of an expedition from Vallecillo of peons with carts and tools to build a large corral somewhere toward the Rio Grande, in which the stolen cattle brought by the Vallecillo "detachments" are to be herded until rested for driving into the interior, are the two notable events that have occurred since my last. The passing of stolen herds in large and small numbers is of no [so] frequent occurrence as not to excite any notice. I had Texas beef for dinner yesterday, and it was—as they say "stolen kisses" are—very sweet. * * *

If the Rio Grande commission is printed, please send me a copy.

A. LOWRY.

Maj.-Gen. S. P. HEINTZELMAN, U. S. A.,
Washington City, D. C.

DOLORES MINE, MEXICO, June 23, 1873.

Major-General S. P. H.:

* * * * *

The late invasion by Colonel Mackenzie has *not* produced the least possible excitement in this neighborhood, and he might have occupied the whole country to the Gulf without finding any opposition. The last revolution has made every one *anxious* for a change, and I do not know of a single Mexican visitor to me, for a very long time past, that has not expressed himself in the most unreserved manner that they had only one hope—the occupation of the country by the United States.

The last revolution differed from all previous ones in the fact that the actual theater of operations was on this frontier, east of the mountains. Heretofore it has always been in the interior, and the expenses of both parties have been from the large cities and haciendas. On this last occasion every one that had anything to lose lost it, and since the ending of the war every one who expects to have anything in the future has emigrated to the other side. I have no doubt that at last [least] one half of the reputable class of Mexicans on this frontier have passed over the Rio Grande permanently; for I am told that in Mier, formerly a place of considerable business, nearly one-half of the decent houses are vacant or occupied by peons and laborers.

There is one diguitary in our army organization for whom every Mexican cherishes the most profound admiration; he is the only one that lives in their recollection; those that never saw him live only in the hope that the *blessed* time will come when they shall no longer be strangers. They may (the elder ones) have dined with generals and colonels, perhaps have even been punished by provost-marshals, but the first one forgotten and the last one forgiven, in their delicious recollections and reveries over that, to them, almost supernatural being, the quartermaster. Ah! the quartermaster! If he only, and unarmed he might be—if he only would come, then, indeed, would “the winter of their discontent” be changed. Give me the wording of the proclamation, with a *carte blanche* as to the figures I may put in, (I would not go as high as millions, for they are beyond the conception of these people)—send me one-half of General Meigs’s corps and a score or two of mustering officers, and, presto, in a month I will guarantee peaceable possession of the country and 20,000 Mexican bayonets.

This is not so much of a jest as you may suppose. From the highest to the lowest, all look to that advent as their only hope and salvation. A Don Mariano Santos, the principal man, I might say, of this frontier, the right-bower of whatever government existed at Monterey, the most noted, substantial, well-to-do citizen I have ever met with among these people, has been a visitor here frequently, (he is lately deceased,) and, though holding no office at any time, the government closed the offices in Monterey and elsewhere and issued an official bulletin on the occasion; and I am sure at least a dozen times he has told me of his delightful quartermaster experience. He dined twice with General Taylor and Captain Bliss, and also with two or three others; remembered quite a number of officers by name; but of this he spoke as of no special import. The quartermaster was his *pièce de resistance*, and he never failed to wind up with the injunction to me that if matters ever so shaped themselves as to admit of it, to give the quartermaster a letter to him. You may tell General Meigs that, in the event of a war with this country, only the quartermaster department need be increased. He should garrison every town, valley, and rancho with a quartermaster, nothing more.

As regards other affairs here, I do not hear or see that there is any

change. Drove of cattle going west pass as frequently as usual. A month or more ago I saw two Mexicans going through the hacienda, looking at the smithing machinery, &c. Both were genteel in appearance, and saluted me with the usual Mexican grace on passing them. Later I learned that one was the so well-known desperado, Cavallo Blanco, the other his adjutant. They were in Vallecillo two or three days hunting of recruits for the foray they have since made to the neighborhood of Corpus. Of course the authorities knew all about it, and equally of course no attempt was made to prevent it.

If anything should happen at headquarters touching affairs on this frontier, I hope you will let me know, and under such restrictions as you think proper. * * * *

A. LOWRY.

DOLORES MINE, MEXICO, *April 26, 1874.*

Major General S. P. H.,
Washington, D. C.:

MY DEAR GENERAL: * * * I have postponed writing to you from week to week because I expected to have something positive to communicate about a project which I supposed would have been successfully carried out before this.

In the early part of January last I was told that twelve of the Mexican frontier States were to separate from Mexico, taking the name of the Republic of the Sierra Madre. The person informing me had translated the documents into English for sending to Washington. The declaration of independence had already received the signatures of ten of the twelve governors, and the only reason for delay was to make sure that there would be no interference on the part of the United States against the secesh.

The communication being confidential to me, I have been expecting to hear daily of the public declaration, but it now appears that secrecy is no longer required, and my informant writes me that it is proposed, or rather intended, to canvass the matter publicly in the expectation that it will be so unanimously received that the general government will promptly accede to what it will be plain it cannot prevent. So stands the matter at present.

Meanwhile those two irrepressibles, Cortina and Canales, are going each other, as usual, a make-believe fight, to give a sort of excuse for each to replenish by "præstamus."

DOLORES MINE, MEXICO, *January 3, 1875.*

Major-General S. P. H., *Washington:*

MY DEAR GENERAL: * * * In a previous letter I told you of the proposed secession of twelve of the Mexican States to form the new Republic of the Sierra Madre. As was to be expected, it has been found impossible to secure — among the large number who would be everything or nothing, and the matter has dragged along until now with but little vitality. Recently, however, it has started up again, and so prominently, that the federal government feels itself obliged to make a demonstration—a mere feint, however, on paper. Divisions and brigades amounting to six thousand or more men were ordered to the frontier; what came was one thousand or twelve hundred, and those

marched up the hill, &c., and what is left of them, seven hundred to eight hundred, have suddenly gone to the interior, as it is reported that the secession has commenced in San Luis and Zacatecas, as an official told me yesterday. The general agent of the affair you have with you in Washington, whither he went some time since to recover neutrality, if not aid, in the coming event; out of this has grown the renewed report about the cession, &c., probably.

Nothing is more certain, I think, than the consummation of the proposed secession if the personal interests can be recognized harmoniously. The federal government will undoubtedly be glad to get rid of the most of the territory, which yields it nothing but pronunciamientos and revolutions. It no doubt is powerless to interfere effectively, for whatever force might be sent would be sure to "turn over" on shaking a bag of dollars at them.

As I have fat Texas beef for dinner frequently, I have no doubt the free trade flourishes. As it has now become an established institution, it is no longer much talked of, and, unless of unusually large number, a passing drove provokes no remark. * * *

If such a thing is possible, I would like to see the reports of the Mexican Joint Claim Commission; the one sitting in Washington I mean. Some of the claims from Sabinas were astounding. In one case I have heard from Mexicans two hundred dollars doubtful loss was put down somewhere near \$60,000. * * *

A. LOWRY.

DOLORES MINE, MEXICO, *May 3, 1875.*

Major-General S. P. H., *Washington:*

MY DEAR GENERAL: * * * We are not interfered with here by the robber bands, excepting in the indirect way that the laboring population are now all thieves. I am told that in Vallecillo there are almost always large numbers of these cattle-thieves, and for the last week or more they have been selling some of the plunder brought lately from the Corpus Christi raid. That was so successful and yielded such good returns that it will be repeated, and on a larger scale; so they say in Vallecillo.

I never gave the least credit to the periodical statements of the papers about the negotiations with Mexico. I believe that a vast majority of the Mexicans would be glad if the United States would annex all of Mexico, but no "government" of this country dare propose such a thing, as it would be the pretext of a revolution by the clerical or some other faction.

The proposed independent republic seems to have fallen through for the present. The present governor of this State is hourly expected in Vallecillo on a visit of two days. * * *

A. LOWRY.

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Texas, July 12, 1877.

These papers are respectfully forwarded as being important, and containing valuable information on the subject of depredations committed on the border of the lower Rio Grande by parties organized in Mexico, and whose depredations were known and connived at by officials.

E. O. C. ORD,
Brigadier-General Commanding Department.

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, July 18, 1877.

Respectfully forwarded to the Adjutant-General of the Army.
 In the absence of the Lieutenant-General commanding:

R. C. DRUM,
Assistant Adjutant-General.

ADJUTANT-GENERAL'S OFFICE,
Washington, July 24, 1877.

Respectfully submitted to the Secretary of War, with copy for the Department of State.

THOMAS M. VINCENT,
Assistant Adjutant-General.

WAR DEPARTMENT,
Washington City, July 26, 1877.

SIR: I have the honor to transmit for your information copies of extracts from letters of one Major A. Lowry, formerly an officer of the United States Army, but who at the time the letters were written was a director of the Dolores silver lead-mines at Vallecillo, Mexico. The extracts from this correspondence relate to the condition of affairs on the Mexican side of the Rio Grande, and were furnished General Ord by General S. P. Heintzelman, to whom the letters were addressed.

Very respectfully, your obedient servant,

GEO. W. McCRARY,
Secretary of War.

The honorable the SECRETARY OF STATE.

[Telegram.]

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., July 21, 1877.

ADJUTANT-GENERAL,
Washington, D. C.:

The following is in reply to request through Mr. Villareal to be informed of disposition of Mexican forces to intercept raiders:

"Señor V. L. Villareal arrived to-day. He has informed me of the kindness with which he has been treated by you. In view of the information he has given me, and of the instructions that I have from General Trevino, I now issue orders to my troops on the river Salado, my second line, to march to cover those I now have engaged in watching Escobedo and Winker, (two of Lerdo's officials.) As soon as these troops reach me, I shall so disperse that those I have on this line, and more that I shall bring together of scout-soldiers, shall look out for the Indian part of the campaign. On effecting this, I shall communicate my movements to the head American officer of the line here and to you as principal," &c.

"Constitutional army, line of the north, Piedras Negras, July 19, 1877.

"General second in chief,

F. NARANJO."

The following, more explicit, just received:

"The stations of Trevino's cavalry, as given me by Schuchardt, who

says from reliable information, viz: One hundred at Camargo; one hundred and sixty at Laredo; one hundred and fifty at Valleta, three miles from Piedras Negras; one hundred at Juarey, and two hundred and ninety in small parties in the villages of the district of Monclova.

"SHAFTER."

ORD,
Brigadier-General.

[Indorsement.]

ADJUTANT-GENERAL'S OFFICE,
Washington, July 24, 1877.

Respectfully submitted to the Secretary of War, with copy for the Department of State.

THOMAS M. VINCENT,
Assistant Adjutant-General.

WAR DEPARTMENT,
Washington City, July 26, 1877.

SIR: I have the honor to transmit for your information copy of a dispatch from General Ord, communicating one from Colonel Shafter, giving information derived from Señor V. L. Villareal and General Naranjo as to the disposition of Mexican troops on the Rio Grande frontier to intercept raiders.

Very respectfully, your obedient servant,

GEO. W. McCRAKY,
Secretary of War.

To the honorable the SECRETARY OF STATE.

[Telegram.]

SAN ANTONIO, *July 22, 1877.* (Received 9.25 p. m.)

To ADJUTANT-GENERAL,
Washington, D. C.:

The following just received from Colonel Price, dated Ringgold Barracks, July 21:

"Upon application of United States commissioner, in the absence of the marshal, I this morning arrested General M. Escobedo, Colonel Manchaco, Colonel Lever, Colonel Damla, Colonel Goulas, with ten or twelve other officers, who were reported as about to cross the river and violate the neutrality law of the United States. They were brought before the United States commissioner at 1 p. m. They waived examination and were released under bond to keep the peace. This was done by Price in accordance with my orders. I think the commissioner should be instructed to exact a bond, but would enforce the laws.

ORD,
Brigadier General.

[First indorsement.]

ADJUTANT-GENERAL'S OFFICE,
Washington, July 23, 1877.

Respectfully submitted to the Secretary of War, with copies for the Departments of State and Justice.

THOMAS M. VINCENT,
Assistant Adjutant-General.

WAR DEPARTMENT,
Washington City, July 24, 1877.

SIR: I have the honor to transmit for your information a copy of a telegram from General Ord reporting arrest of the Mexican General Escobedo and others charged with contemplated violation of neutrality laws and their release on bonds.

Very respectfully, your obedient servant,

GEO. W. MCCRARY,
Secretary of War.

The honorable the SECRETARY OF STATE.

Similar letter addressed to the Attorney General.

FORT CLARK, TEXAS, *July 9, 1877.*

SIR: For the information of the district commander, I would respectfully say that about sunrise, on June 30, my command took an Indian trail that we had found about dark the day before. This trail was found about seventy miles above the mouth of the Pecos river. We were returning, at the time, from an expedition in the mountains up the Rio Grande, by way of Fort Davis and San Francisco River. We followed the trail June 30 about fifteen miles, nearly west, to the Rio Grande; arrived at the crossing made by the Indians about 10 a. m.; found the river very high; the Indians had crossed during the night. We went to work and built a raft of logs, tied with lariats, and about dark we were all camped on the trail on the Mexican shore; had two horses drowned in crossing. About sunrise, July 1, we continued on the trail nearly due west, and about 2 p. m. found a water-hole in the rocks of a large arroyo. At this place we went into camp and remained about two hours; distance from the crossing twenty miles. I found twenty of my horses so completely used up as to be unable to travel. About 4 p. m. continued on the trail nearly due west, with twenty-four scouts, seven of which were mounted on pack-mules; left thirteen scouts camped on a hill near the water-hole, hid from view, (with broken-down stock.) At dark we went into camp on the trail about six miles distance from the water-hole. Next morning, July 2, we were on the move before light, and at daylight took the trail; continued west for about two miles, and discovered the herd of horses grazing on the side of a hill in Sierra Pachona, about a mile distance. From this place we worked under cover of hills, brush, &c., up to within 500 or 600 yards of them, when we were discovered by the Indians through the braying of one of our Spanish mules. We lost no time in closing on them, and within one-half mile from their camp caused them all to jump from their horses and take to the rocks and brush in a rough sierra, (excepting one or two Indians who escaped with two horses.) We chased them for about an hour over rocks and through brush, and within the time wounded three, one of which must have received a mortal wound, as he was easily trailed by the blood on the rocks for about 300 yards. These Indians were pressed so close as to cause them to throw away their blankets, shirts, breech-clouts, and one shield, cartridge-belt, &c., of the one so badly wounded. We captured twenty-two horses, all American brands, all worn from night driving over rocks, &c. Recrossed the Rio Grande July 4, during the p. m., on a raft built as before. We could have gained nothing by following the Indian or Indians who escaped with the two horses, as my stock

was used up from a hard march of about one thousand miles. Total number of Indians in party, seven or eight.

I remain, sir, very respectfully, your obedient servant,

JOHN S. BULLIS,

First Lieutenant Twenty-fourth Infantry, Commanding Scouts.

First Lieut. HELENUS DODT,

Twenty-fourth Infantry, Acting Assistant Adjutant-General,

District of Nueces.

[First indorsement.]

HEADQUARTERS DISTRICT NUECES,

Fort Clark, Texas, July 9, 1877.

Respectfully forwarded to assistant adjutant-general, Department of Texas.

The trail struck by Lieutenant Bullis had been followed by Texas rangers from head of South Llano to within 15 miles of where it was found by Bullis. The stock retaken is that recently stolen in Gillespie County. He also found with this party of Indians parts of the harness recently taken by Indians from Venaceo Cañon at Johnson's ranch, where they severely wounded a citizen, (now in post hospital.) The horses I will give to the Seminoles, subject to claims of owners.

W. R. SHAFTER,

Lieutenant-Colonel Twenty-fourth Infantry, Commanding District.

[Second indorsement.]

HEADQUARTERS DEPARTMENT OF TEXAS,

San Antonio, Tex., July 12, 1877.

Respectfully forwarded through headquarters Military Division of the Missouri, for information of the General-in-Chief.

I beg to call attention to the perseverance and pluck exhibited by Lieutenant Bullis and his little command. This is only one of the several instances of the same sort shown by them.

E. O. C. ORD,

Brigadier-General U. S. A., Commanding.

[Third indorsement.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,

Chicago, July 17, 1877.

Respectfully forwarded to the Adjutant-General of the Army.

In the absence of the Lieutenant-General commanding:

R. C. DRUM,

Assistant Adjutant-General.

[Fourth indorsement.]

ADJUTANT-GENERAL'S OFFICE.

Washington, July 21, 1877.

Respectfully submitted to the Secretary of War, with copy for Secretary of State.

THOMAS M. VINCENT,

Assistant Adjutant-General.

WAR DEPARTMENT,
Washington City, July 23, 1877.

SIR: I have the honor to transmit, for your information, copy of a report of Lieut. John L. Bullis, Twenty-fourth Infantry, of his scout after Indian horse-thieves into Mexico, and the recapture of 22 American horses from the Indians.

Very respectfully, your obedient servant,

GEO. W. McCRARY,
Secretary of War.

The honorable the SECRETARY OF STATE.

[Telegram.]

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., July 25, 1877.

ASSISTANT ADJUTANT-GENERAL,
Headquarters of the Army, Washington, D. C.:

The following just received from Naranjo:

"I acknowledge your kindness in transmitting me the dispatch of General Ord announcing the capture of General Escobedo, and subsequent release under bonds, and in return I beg to inform General Ord that Pedro Valdez and principal officers and many of his men have presented themselves to me and have been duly pardoned.

"SHAFTER."

The arrest of Escobedo and the surrender of Valdez and his partisans will check attempts at organizing revolutionary bands on this side for some time. If Mexican Government would ignore all customs-paper issued in advance by revolutionists, and on which they borrow money of merchants on the river to start revolutions, it would go far to stop them entirely.

ORD,
Brigadier-General.

WAR DEPARTMENT,
Washington City, July 28, 1877.

SIR: I have the honor to transmit for your information a copy of a telegram of date July 20, from General Ord, announcing the capture and release of Escobedo; also that Pedro Valdez and many of his men have presented themselves to Colonel Shafter, and have by him been duly pardoned. General Ord also expresses the opinion that if the Mexican Government would ignore all customs-paper issued in advance by revolutionists, and on which they borrow money of merchants on the river to start revolutions, it would go far to stop them entirely.

Very respectfully, your obedient servant,

GEO. W. McCRARY,
Secretary of War.

The honorable the SECRETARY OF STATE.

DEPARTMENT OF STATE,
Washington, August 2, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 28th ultimo, with an accompaniment, in relation to Mexican affairs.

I am, sir, your obedient servant,

WM. M. EVARTS.

Hon. GEORGE W. MCCREARY,
Secretary of War.

FORT DUNCAN, TEXAS, *July 24, 1877.*

(Through headquarters district of the Nueces.)

SIR: I have the honor to report the following for the information of the department commander:

At my first interview with General T. Naranjo, Mexican general of brigade, nothing of public interest was mentioned by either of us. During our second conversation held at my quarters on the 20th instant, I showed him the telegram of the department commander in regard to Indians from Mexico being in Texas at the time, and the subjects of Indian raids and border troubles were generally discussed. He pledged himself to put a stop to raids by Indians from Mexico as soon as Escobedo, Valdez, and other revolutionists could be disposed of. We did not touch upon the subject of our troops crossing the Rio Grande when in pursuit of marauders, but he remarked that Mexican troops could more successfully operate against the Indians of Mexico than could be done by troops from the United States. To this I assented, and told him that the cause of complaint against the Mexican authorities was, that they did not perform a duty so important, and at the same time, to them, so easy of accomplishment.

During a third conversation held at his quarters in Piedras Negras, on the 23d instant, he informed me that troops had been sent by him to watch the fords of the Rio Grande, from Piedras Negras to Laredo, and that scouts would be kept constantly patrolling between the detachments guarding the fords with the view of intercepting and capturing any Indians that might attempt to cross in either direction. He was emphatic in expressing a determination to put a stop to Indian raids into Texas from Mexico. He also stated that the principal leaders under Valdez had agreed to return and give in allegiance to the present government, on certain guarantees he had given them, and that several of them would do so that afternoon. So far as I am able to learn, but one man who is held as belonging to the Valdez party went over to Piedras Negras yesterday, but it is my present opinion that all Lerdist sympathizers, now on this side of the river, will soon abandon any intention, if they ever had any, of invading Mexico.

General Naranjo has now about one hundred and seventy regular troops at Piedras Negras, and about one hundred and fifty national guards, mounted and armed, and a few scouts.

The entire force from Monterey to El Paso amounts to only one thousand men, but the general says that a second line is being sent from the interior.

Very respectfully, your obedient servant,

G. W. SCHOFIELD,
Major Tenth Cavalry, Commanding Post.

ASSISTANT ADJUTANT-GENERAL,
Department of Texas, San Antonio, Tex.

[First indorsement.]

HEADQUARTERS DISTRICT OF THE NUECES.

Fort Clark, Texas, July 25, 1877.

Respectfully forwarded to headquarters Department of Texas. The disposition of troops said to be made will do very well toward intercepting Indians that may cross below Fort Duncan. While this is being done by Mexican authorities, it is well known that the Indians live to the west and north of Saragosa and Remalina, and that when returning from raids they nearly always cross above Duncan.

It is reported to me, on good authority, that very recently the Indians had a large camp near Romalina, and that they were in that town offering to trade mules for arms, and that they did buy ammunition. Also, that they have lately been in Saragosa.

If there was any desire to put a stop to Indian raids, it could very easily be done by arresting them when they come into the towns, or by going after them in their camp.

W. R. SHAFTER,

Lieutenant-Colonel Twenty-fourth Infantry, Commanding.

PIEDRAS NEGRAS, July 23, 1877.

DEAR COLONEL: Your letter of the 20th instant, with inclosure, duly received, and in answering the latter I pass that part of it which refers to the number and distribution of General Treviño's troops, of which I have sent you a memorandum. So far no change has been made yet, and according to late information I received from people coming from the interior of this and the State of Nuevo Leon, no further troops are moving to this frontier. As to the ability and the disposition of General Treviño to aid effectively in suppressing raids and to capture and return stolen property which may be carried across the border, I would say that at least he will do his best as long as the order from the Secretary of War to General Ord is not revoked or modified, although in my opinion General Treviño has not more ability to aid in suppressing raids into the United States than the administration of President Lerdo at the time of profound peace had. I refer to when the Mexican Government was aroused to its duty relative to frontier protection by General Mackenzie crossing over to Mexico, first in pursuit of Indians, and soon after in pursuit of cattle-thieves. Soon after, the federal Government of Mexico sent 300 regular soldiers to this frontier, stationing them at Saragoza, about thirty-six miles off the Rio Grande. The Mexican troops have no commissary which provides them with provisions; they receive, or rather are promised to receive, 37½ cents per day as pay, of which amount they have to board themselves. For a few months these troops at Saragoza were paid regularly, then the money for their pay commenced to arrive not in time; in consequence, the soldiers for two or three days at the time were without anything to eat; they became more dissatisfied, as a Mexican soldier taken by force into service is already, and commenced deserting in numbers to the United States, where they found employment at good pay. The result was that they had to order these troops back to the interior before they had anything done toward the protection of the border. The Mexican soldier is a good soldier when properly taken care of, but as it is now, they are always dissatisfied; they are kept closely shut up in their quarters, and in my opinion are not the material for frontier service.

In regard to the suppressing of raids into Texas by Mexican thieves and their stealing from Mexico, it would be an easy matter, as there exists in each of the villages a few notorious depredators, not more than three in some of them. They are all well known and could be pointed out by everybody; most of them have been in conflict with the authorities, and their cases are pending yet in the courts, but they have served the cause of the revolution faithfully, and as the revolution succeeded in overthrowing the government, they never will be prosecuted any more, but on account of their service will have full absolution.

In view of the above referred to order of the War Department authorizing United States troops to cross over to Mexico in pursuit of Indians and marauding Mexicans, the Mexican Government may find the means and ways to aid in suppressing raids of Indians and Mexican thieves into the United States territory, but only when our government does not modify in the least the said order; if it does, all will end in promises never to be fulfilled, and to which experience has made us used to.

It is also my opinion that the civil authorities only will comply with their duties by punishing the thieves and return the stolen property to to our citizens when compelled by a military commander who has no acquaintances, relatives, or compadres in the district where his duty is to supervise the authorities to do their duty.

Yours, truly,

WM. SCHUCHARDT.

[First indorsement.]

FORT CLARK, *July 25.*

Respectfully forwarded to General Ord for his information.

Mr. Schuchardt requests that his name does not appear as furnishing information.

Respectfully,

W. R. SHAFTER,
Lieutenant-Colonel, &c.

[Second indorsement.]

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., July 28, 1877.

Respectfully forwarded to the Adjutant-General of the Army, for the information of the Secretary of War.

E. O. C. ORD,
Brigadier-General, U. S. A., Commanding.

[Third indorsement.]

HEADQUARTERS OF THE ARMY,
ADJUTANT-GENERAL'S OFFICE,
Washington, August 4, 1877.

Respectfully submitted to the Secretary of War, with copy for the Department of State.

E. D. TOWNSEND,
Adjutant-General.

WAR DEPARTMENT,
Washington City, August 6, 1877.

SIR: I have the honor to transmit, for your information, copy of a communication of the 24th ultimo, from Maj. G. W. Schofield, Tenth Cavalry, reporting the result of his interviews with the Mexican General

Naranjo on the subject of the border troubles on the Rio Grande, with remarks by Colonel Shafter, and copy of a letter of William Schuchardt.

Very respectfully, your obedient servant,

GEO. W. McCRARY,
Secretary of War.

The Hon. SECRETARY OF STATE.

DEPARTMENT OF STATE,
Washington, August 10, 1877.

SIR: I have the honor to acknowledge the receipt of your letters of the 6th and 8th instant, in relation to Mexican affairs.

I am, sir, your obedient servant,

F. W. SEWARD,
Acting Secretary.

Hon. GEO. W. McCRARY, *Secretary of War.*

FORT CLARK, TEXAS, July 23, 1877.

SIR: While at my post, Fort Duncan, yesterday, I learned the following, which is submitted for the information of the district commander. It is probable, however, that the same will be sent him by Mr. Schuchardt within a day or two.

The Indians attacked by Lieutenant Bullis in Mexico, and from whom he recaptured some stolen horses, were Lipans, accompanied by three Comanches. These Indians make no mention of having had any killed or wounded.

About the 14th instant there were some thirty families of Lipans, Mescaleros, and Gileños, at a point two leagues above Remolino. They had five mules, which they wanted to trade for carbines. There were seven Comanches with them. Names of Mescaleros, as far as known, are Sesos, Tejano, and Oarcaje. There is also a camp of mixed tribes between Metaje and the Burro. The information is that the Indians above spoken of as trying to trade mules for carbines, left after buying a quantity of ammunition, and that they were going on a raid into Texas.

In another communication mention will be made of movements of Mexican troops, &c.

Very respectfully, your obedient servant,

G. W. SCHOFIELD,
Major Tenth Cavalry.

ACTING ASSISTANT ADJUTANT-GENERAL,
District of the Nueces, Fort Clark, Texas.

[Inclosure.]

Statement of John M. Leary.

On the 21st of June, 1877, I was working with two other men, George and Robert Johnson, in a pasture belonging to J. B. Johnson, ranch near Camp Wood, Edwards County, State of Texas. At about 2.30 p. m., both Johnsons having left me about five minutes, and while I was lying down on the ground alongside of a wagon, I found myself sud-

denly surrounded by about fifteen Indians. Taken by surprise, I sprang on my feet and grasped my revolver, firing at five or six Indians who were fronting me and on the point of charging upon me. I fired two shots in quick succession; the Indians fired several shots at me at the same moment without hitting me. I then looked behind me for a place to run to, but finding myself surrounded, I kept firing at them and they at me until I was shot through my right wrist. When the Indians observed that I was shot, and while I endeavored to fire with my left hand, they charged on me within about 10 feet. I cocked the hammer of my revolver against the wagon-bed, and by that means succeeded in full cocking the revolver. I again fired at them and they rushed back into the brush. This was the last shot I had in my revolver. At the same moment when I fired this, my last shot, a bullet struck the near horse. I stood on the left side of the wagon. The team, consisting of a horse and a mule, started to run; I tried to stop them; in doing so the wagon-pole struck me, nearly knocking me down. I sprang back to see whether the Indians were following me; I saw that when the team run off I had left the Indians about 20 to 30 yards behind, and they were following me, some on foot and some mounted, as fast as they could. The team made a big turn while running in the bushes, in such a way as to completely hide me a few moments from the view of the Indians. I took advantage of this by jumping into a dense live-oak thicket, and, throwing myself down on the ground, kept perfectly quiet. The Indians, following the team, passed right by me, some within four or five yards, without seeing me.

The Indians kept on behind the team until the horse which had been shot fell dead at a distance of about 250 yards from where they started to run. The Indians next cut the harness off the horse and mule, and putting a lariat on the mule led it off, taking the harness with them. The Indians then retraced their steps and passed me again. Just when the Indians came very near me George Johnson, who had been away when the Indians first came up, now came within sight, mounted. He fired one shot into the Indians; they then turned upon him and commenced firing. As soon as he saw that the Indians were showing fight he wheeled his horse around and rode off as fast as it could carry him, to the camp of the Texas Rangers, which is about two and a half miles distant from the spot where the above occurrence took place. The Indians stopped and were laughing, looking after him running off; they then appeared to have a council among themselves for a few minutes, and then started suddenly on a full run from me, taking an almost due westerly course. I waited for about five minutes, until I believed they were gone far enough for me to show myself with safety. I walked up to the house on the ranch, distance about a mile. In the mean time George Johnson had reached the rangers' camp, and in about an hour a detachment of rangers was on their trail.

When the Indians returned, and at the time George Johnson came up, I had a full view of the whole party, and I observed that they were all dressed and presented the appearance of Indians except one man, who was, I am sure, a Mexican, from his dress and other appearance. He had short, black, straight hair, and very light complexion compared with the other men. He was evidently about twenty to twenty-five years of age.

JOHN M. LEARY.

[Indorsements.]

HEADQUARTERS DISTRICT OF THE NUECES,
Fort Clark, Tex., July 24, 1877.

Respectfully forwarded to assistant adjutant-general, Department of Texas. This report is also confirmed by one of the guides who returned from Remolino to-day.

W. R. SHAFTER,
Lieutenant-Colonel Twenty-fourth Infantry, Commanding.

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., July 30, 1877.

Respectfully forwarded through headquarters Military Division of the Missouri, for the information of the Adjutant-General of the Army.

E. O. C. ORD,
Brigadier-General U. S. A., Commanding.

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, August 3, 1877.

Respectfully forwarded to the Adjutant-General of the Army.

P. H. SHERIDAN,
Lieutenant-General Commanding.

ADJUTANT-GENERAL'S OFFICE,
Washington, D. C., August 8, 1877.

Respectfully submitted to the Secretary of War, with copies for the Departments of State and Interior.

E. D. TOWNSEND,
Adjutant-General.

WAR DEPARTMENT,
Washington City, August 9, 1877.

SIR: I have the honor to transmit, for your information, copy of a communication from Major Schofield, reporting information he had received that Indians near Remolino had mules which they desired to trade for carbines; that they had purchased ammunition, and were going on a raid into Texas, &c.

Very respectfully, your obedient servant,

GEO. W. McCRARY,
Secretary of War.

Hon. SECRETARY OF THE INTERIOR.

DEPARTMENT OF STATE,
Washington, August 16, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 9th instant, inclosing a copy of one from Major Schofield, reporting that Indians near Renolina had purchased ammunition and were going on a raid into Texas.

I am, sir, your obedient servant,

F. W. SEWARD,
Acting Secretary.

Hon. GEORGE W. McCRARY,
Secretary of War.

[Telegram.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, Ill., August 8, 1877.

General E. D. TOWNSEND,
Washington, D. C.:

The following dispatch from General Ord is respectfully forwarded:
"Schofield, commanding Fort Duncan, telegraphs that he struck a small camp of Mexican revolutionists shortly after sunrise, morning of 5th instant, and took what there was in it, namely, forty-four men and forty-three horses; found very few arms. They were regularly organized companies, under Valdez. Only two officers captured; others absent at Laredo and San Antonio. Deputy United States marshal was with me. I hold prisoners at post for him. Lieutenant Bullis surrounded a notorious thieving-ranch a few miles in Mexico on morning of 4th, where Shafter had notification that stock recently stolen was secreted. Got five American horses; two of them taken from Brucketsville a short time ago. No one hurt, nor a shot fired. He returned to this side yesterday at noon.

R. C. DRUM,
Assistant Adjutant-General.

RINGGOLD BARRACKS, TEXAS,
July 21, 1877.

LIEUTENANT: I have the honor to submit the following facts in relation to the arrest of General M. Escobedo and other officers, which took place to-day, telegrams concerning which I have just forwarded:

On Sunday, the 15th instant, a horse-race was the ostensible cause for the gathering of between three and four hundred mounted and armed Mexicans at a point midway between the post and the town of Rio Grande City, just outside the line of the reservation. General Escobedo and his officers were with them; they were all armed with rifles and pistols, and quite a number wore sabers; and as far as we could learn, they were strangers in this vicinity. I had previously telegraphed, on the 6th instant, giving my impressions and asking instructions, which I received in telegraphic orders of date of 10th instant.

Between 8 and 9 o'clock, on the night of the 10th instant, after the dispatch had passed down to Brownsville, General Escobedo left here, going toward Brownsville. I learned that he had passed around the town of Edinburg about 11 a. m. the following day, and went to Davila's ranch; is five miles below town. He returned here at 11.30 a. m. on the 13th instant. I had learned much of their operations during this interval, and at times imagined that Escobedo rather looked for or consented to some intervention by the United States authorities, in hope that it would give him strength and sympathy in his own country.

On the 20th, I learned from sources that I deemed reliable that the steamer Ackley would arrive the next day; that there were arms and munitions on board of her; that she was to go up to Camargo, and would land the arms at the mouth of the San Juan River, on the Mexican side, six miles above this post. I also learned that there were between fifty and one hundred horses concentrated at the Remolinos ranch, on this side of the river, opposite the San Juan. I believed that the movement would take place shortly after the arrival of the steamer, and had proof to substantiate it. Under these circumstances I deemed it my duty to act and take such measures as I could to preserve the neu-

trality laws. The organized force in camp above town I could take, in compliance with my orders. But nearly all the testimony I had was mostly derived from Mexicans, and all was directed toward Escobedo as the principal mover. Knowing such to be the case, complaint was lodged with the United States commissioner by accompanying affidavit, and in the absence of the United States marshal, I was requested to serve the writ. The accompanying papers show the legal portion of the transaction.

Captain Farnsworth, whose morning mounted drill had been conducted for the previous ten days north of the post, through and beyond the town, moved out at the usual hour for drill. He was joined by the United States commissioner the other side of town. The latter was familiar with and designated the parties named in the writ: Colonel Mancheco, Colonel Davilla, Colonel Cristo, Colonel Valaviecinia, and Colonel Gaules. Fourteen officers were required to repair to the court-house. Order for Captain Farnsworth inclosed. Captain Fechet, with a sergeant and three men, was directed to go to the house of Mr. Kelsey, where Escobedo, Colonels Monroy and Lever, of his immediate staff, were stopping. He followed Captain Farnsworth in fifteen minutes, and the arrests were made simultaneously. The latter gave their parole to be present at the court-house when required.

The steamer Ackley arrived between 9 and 10 o'clock a. m. On that boat were eight cases of Remington breech-loading arms and ammunition. They were not on the manifest, shipped by, nor consigned to any one; no definite marks on the boxes, and no one wished to claim them.

I did not deem it necessary to take action in regard to the arms or horses, unless called upon by the United States commissioner or the marshal to do so.

The arms were, later in the day, taken to the store of Mr. Burnback. At 1 a. m. the witnesses had been summoned and the parties appeared in the commissioner's court. They had all been paroled on their honor to appear, and the troops returned to camp at 8 o'clock a. m. After hearing the complaint lodged against them read, they, through their attorney, Mr. Kelsey, waived an examination, and gave bonds to keep the peace and appear before the United States court in September, when they were released. Everything was conducted in a legal, dignified, and soldierly manner.

I trust the action here taken may meet with the approval of superior authorities. I feel a moral consciousness of having carefully considered it, and that it was right.

If the cause they represent has the support of any large portion of the Mexican nation, and there is any means and strength in the movement, the placing of these parties under a few thousand dollars' bonds for openly violating neutrality within a mile of a United States military post cannot certainly infuse their cause, and may save great hardships, unnecessary loss of life, and the shedding of blood.

Respectfully, your obedient servant,

WM. REDWOOD PRICE,
Major Eighth Cavalry, Commanding.

First Lieut. R. A. WILLIAMS,
Acting Assistant Adjutant-General, District Rio Grande.

THE UNITED STATES OF AMERICA,
Eastern District of Texas :

Before me, the undersigned authority, personally came Second Lieut. Q. O. M. Gillmore, Eighth United States Cavalry, who, being duly sworn, deposes and says that, to the best of his knowledge and belief, Manuel Escobedo, Colonel Munroy, Colonel Lever, Colonel Monchaca, Colonel Davilas, Colonel Cristo, Colonel Vilavencencia, and others whose names are unknown to affiant, all being citizens of Mexico, temporarily residing in the United States of America, are about to violate the neutrality laws of the United States of America by setting on foot in the territory of the United States a military expedition against the Republic of Mexico, with which the United States of America are at peace; and deponent further avers that said Manuel Escobedo, Colonels Munroy, Lever, Monchaca, Davilla, Cristo, Vilavencencia, and others have provided men, horses, and arms within the territory of the United States of America, with which they are about to break the peace and invade the Republic of Mexico, contrary to the form of the statutes in such cases made and provided, and against the peace and dignity of the United States.

Q. O. M. GILLMORE,
Second Lieutenant, Eighth Cavalry.

THE UNITED STATES OF AMERICA,
Eastern District of Texas :

The United States to the United States marshal eastern district, greeting:

You are hereby summoned to take the bodies of M. Escobedo, Colonel Munroy, Colonel Lever, Colonel Manchaca, Colonel Davila, Colonel Cristo, Colonel Valevecencia, and Colonel Gaulos, if to be found in your district, and them safely keep and so provide that you have them before the undersigned authority in Rio Grande City, Tex., instant, then and there to answer to the charge of violating the neutrality laws of the United States and preferred against them.

Herein fail not, but of this writ make due return as the law directs.

Given under my hand at office in Rio Grande City, Tex., this 20th day of July, A. D. 1877.

J. C. EIRET,
United States Commissioner, Eastern District Texas.

RINGGOLD BARRACKS, TEXAS,
July 21, 1877.

CAPTAIN: The commanding officer directs that you proceed at once with your company (mounted) to Garcia's ranch, and there arrest and disarm, by virtue of a civil writ served on the commanding officer yesterday, the 20th instant, any armed parties about to violate the neutrality laws of the United States.

In the performance of this duty you will be accompanied by Mr. J. C. Eiret, United States Commissioner, who will point out to you Colonel Munroy, Colonel Lever, Colonel Munchaca, Colonel Davilla, and others whose names have been mentioned in the above writ referred to. You will then detach a part of your command as a guard to conduct the parties arrested to the custom-house in Rio Grande City, Tex., and if

accompanied by the United States commissioner or his deputy you will proceed to the Ramolenas ranch, and there seize 50 horses, more or less, said to be collected there for the purpose of aiding the parties above mentioned in invading the soil of Mexico.

Very respectfully, your obedient servant,

Q. O. M. GILLMORE,

Second Lieutenant, Eighth Cavalry, Post-Adjutant.

Capt. J. H. FAENSWORTH,
Eighth Cavalry.

[First indorsement.]

HEADQUARTERS, DEPARTMENT OF TEXAS,
San Antonio, Tex., July 31, 1877.

Respectfully forwarded to the Adjutant-General of the Army, through Headquarters Military Division of the Missouri, for the information of the Secretary of War.

E. O. C. ORD,
Brigadier-General, U. S. A., Commanding.

[Second indorsement.]

HEADQUARTERS, MILITARY DIVISION OF THE MISSOURI,
Chicago August 6, 1877.

Respectfully forwarded to the Adjutant-General of the Army.
P. H. SHERIDAN,
Lieutenant-General, Commanding.

[Third indorsement.]

ADJUTANT-GENERAL'S OFFICE,
Washington, August 10, 1877.

Respectfully submitted to the Secretary of War, with copy for the Department of State.

E. D. TOWNSEND,
Adjutant-General.

WAR DEPARTMENT,
Washington, August 13, 1877.

SIR: I have the honor to transmit for your information copy of papers in relation to the arrest of General Escobedo and other Mexicans, who, it is assumed, were about to cross from Texas into Mexico and violate the neutrality laws of the United States.

Very respectfully, your obedient servant,

GEO. W. MCCRARY,
Secretary of War.

The honorable the SECRETARY OF STATE.

DEPARTMENT OF STATE,
Washington, August 16, 1877.

SIR: I have the honor to acknowledge the receipt of your communication of the 13th instant in relation to the arrest of General Escobedo

and other Mexicans, who, it was assumed, were about to cross from Texas into Mexico and violate the neutrality laws of the United States; and to express the gratification of the department at the judicious and effective manner in which General Ord has executed his instructions in maintaining the peace between the two countries.

I am, sir, your obedient servant,

F. W. SEWARD,
Acting Secretary.

HON. GEORGE W. McCRARY,
Secretary of War.

TREASURY DEPARTMENT, *August 10, 1877.*

SIR: I have the honor to transmit herewith copy of a letter from the United States collector of customs at San Diego, Cal., dated the 26th ultimo, in which he details the condition of affairs at that place, with reference to trouble between the citizens of the United States and citizens of Mexico.

Very respectfully,

R. C. McCORMICK,
Acting Secretary.

HON. GEORGE W. McCRARY,
Secretary of War.

CUSTOM-HOUSE, SAN DIEGO, CAL.,
Collector's Office, July 26, 1877.

SIR: Regarding the recent and present trouble between citizens and residents of this county and citizens and the government of Lower California, I deem it proper to state the facts, as far as ascertained, to you:

It appears that on the 17th instant two Mexicans, supposed to be from the northern part of this State, and on their way to Lower California, stole, at Milquatay, in this county, one or more horses. The theft occurred at the school-house about 11 o'clock in the forenoon. The thieves were pursued across the line by two Americans and one Mexican. The two former are reported as school-boys under eighteen years of age. The three followed the thieves until night, and camped on the trail. The next day they came up with the thieves, and recovered their horses. In doing this both the thieves were killed. When the party arrived at Tecarte Valley on their return they were arrested by one Downey, assisted by a posse of men, residents of Tecarte. Tecarte Valley lies just below the boundary-line, eight miles southeast of Campo. It appears that Charles Hensley, a resident of Campo, accompanied the party, pursuing the thieves as far as Tecarte, when he went to the Mexican justice or alcalde and obtained permission to continue the pursuit of the thieves in Lower California. After obtaining the permission it seems Hensley returned to Campo, and the other three continued the pursuit.

On the 18th word was brought to Campo that the two boys who had killed the thieves were wounded or in trouble, and needed help. Three or four well-armed men proceeded to Tecarte immediately, and on their arrival were arrested by Downey's men. Another party of four from Campo, arriving soon after, were compelled to surrender themselves as

prisoners. A third party of four or five were warned in time, and returned to Campo. Downey and his followers now had eleven residents of this county prisoners, ten Americans and one Mexican. On the 19th the prisoners were started for San Rafael, the chief town of Lower California, and the residence of the governor and judges of the province. The prisoners arrived at San Rafael on the 21st, and, although closely confined, it is reported have not suffered otherwise.

The examination of the prisoners by the authorities at San Rafael is reported to have begun on the 24th instant. All are charged with being "fillibusters."

The Catholic priest of the city, the deputy sheriff, and district attorney of this county are at San Rafael in the interest of the prisoners. I may add that the authorities at San Rafael have had the justice or alcalde of Tecarte, with three others, arrested and taken to the former place.

Should the authorities of Lower California proceed to extremities with the prisoners very serious trouble will ensue. But little trouble is apprehended except from the lawless mob.

The people of Lower California, the land-owners and natives, are as peaceable and law-abiding as those of this State. The troubles and crimes of that country came from the renegades and criminals that make it a refuge and hiding-place. A very bad class of Sonorians are coming into Lower California, and stopping near the boundary-line; it would seem for the express purpose of plundering the citizens of this county.

Very respectfully,

W. W. BOWERS,
Collector.

Hon. SECRETARY OF THE TREASURY,
Washington, D. C.

WAR DEPARTMENT,
Washington City, August 22, 1877.

SIR: This department has been furnished by the Treasury Department with a copy of a communication, dated the 26th ultimo, from the United States collector of customs at San Diego, Cal., in reference to trouble at that place between Mexicans and citizens of the United States, and I have the honor to transmit herewith a copy of the same for your information.

Very respectfully, your obedient servant,

GEO. W. McCRARY,
Secretary of War.

Hon. SECRETARY OF STATE.

DEPARTMENT OF STATE,
Washington, August 25, 1877.

SIR: I have the honor to acknowledge the receipt of your communication of the 22d instant, in relation to the trouble at San Diego between Mexicans and citizens of the United States.

I am, sir, your obedient servant,

F. W. SEWARD,
Acting Secretary.

Hon. GEORGE W. McCRARY,
Secretary of War.

[Telegram.]

FORT BROWN,
August 1, 1877. (Received 1.50.)ASSISTANT ADJUTANT-GENERAL,
San Antonio:

No foundation for reported arrest of Canales on Mexican gun-boat. Capital of Chihuahua reported in hands of Leodoists. Escobedo and party gone up the river in that direction.

SWEITZER.

[Telegram.]

FORT BROWN,
August 1, 1877.To ASSISTANT ADJUTANT-GENERAL, *Department Texas:*

Escobedo and seventy men are reported *en route* for Laredo for the purpose of joining a party at that place and crossing into Mexico.

SWEITZER.

[Telegram.]

DUNCAN, August 2, 1877.

General ORD, *San Antonio:*

I should have telegraphed earlier to the cattle-stealing of the 29th, but new developments came up daily. I was waiting for final report. Will telegraph and send by mail to-morrow.

Bullis caught a noted thief; turned him over to the civil authorities. Evans goes up Rio Grande with scout.

SCHOFIELD.

[Telegram.]

FORT DUNCAN, TEXAS,
August 2, 1877.

To General ORD:

Am satisfied that Naranjo is not acting in good faith. Will know certainly in a day or two. Cattle were stolen here last night. I sent small party to trail crossing Rio Grande, and he agreed to meet it with an officer and party of men. My party waited there one hour and forty minutes; no Mexicans, and they returned. Our party had owner of cattle, with marks and brands, along with it, and was on the trail. Owner, with another Mexican, has now gone from Piedras Negras with an officer of Naranjo's. When he returns I can judge if the general is acting in good faith.

Copy of this sent to Shafter.

SCHOFIELD, Major.

[Telegram.]

RINGGOLD, August 2, 1877.

TAYLOR, *Assistant Adjutant-General:*

Dispatch of this date received. Escobedo, with party of about eight, left Rio Grande City on night of thirtieth. At four a. m. of thirty-first

passed through town of Roma, fifteen miles up the river. He has now over seventy hours' start in the direction of Laredo. Have communicated with Colonel Sweitzer, and will move out with what force I can. Most of transportation occupied in transferring L and G companies.

PRICE.

CLARK, TEX., August 2, 1877.

(Received at San Antonio August 2, 1877, 4.35 p. m.)

To TAYLOR, *Assistant Adjutant-General Department of Texas*:

Cattle and horses were stolen on the 29th ultimo at the mouth of Puito, and crossed into Mexico. Bullis with 100 men sent after them, with orders to furnish brands and send owners with any Mexican troops that might be at place of crossing. If none reported, to cross on trail and notify at once, so that I would support him. I had telegraphed Naranjo, soon as I learned of the theft, that my men would be ready to take the trail on the other side, if his men were not, on the 30th ultimo. He at once started a company of cavalry and asked that they be met by the owners, and he will follow the stolen cattle. I notified Bullis of this and he lay at the river all day waiting for the Mexican troops, sending over a few men meanwhile and satisfying himself that it was, as he reported to me, impossible to follow the trail on account of rain that fell the same day the cattle were crossed. Mexican cavalry stopped several miles below place where they were told the cattle had crossed, and Bullis did not see them at all. He did not follow, as he could not trail the cattle.

Bullis is now scouting along the river; will be back in a day or two.

Reports to date will be sent by to-morrow's mail. If any party of Valdez can be found they will be arrested, and I have asked Naranjo to give me any information he may have in reference to such parties on our side.

SHAFTER,

Lieutenant-Colonel, Commanding.

PIEDRAS NEGRAS, August 2, 1877.

(Received at San Antonio August 2, 1877, 8.40 p. m.)

To General ORD:

SIR: I have been informed with satisfaction of your telegram of to-day, and it is gratifying to me to return you my most sincere thanks for the efficient measures that you have been pleased to dictate in favor of Mexico about the attitude of Escobedo. At the same time Colonel Shafter has communicated to me through Colonel Schofield that he has dictated convenient measures that if any organized party of Winuar's is found it will be pursued and apprehended.

NARANJO.

PIEDRAS NEGRAS, August 2, 1877.

(Received at San Antonio August 2, 1877, 8.40 p. m.)

To General ORD:

I am informed with satisfaction of your message of to-day, and return you my thanks for your services in favor of Mexico. The criminals and the place to which Mr. Pascal has referred has been found, and in a few days they will be apprehended.

At this moment thieves are being pursued that stole cattle at Eagle Pass last night. The force is one Mexican officer and seven dragoons, and one American officer with same number of men. All this in perfect agreement with Colonel Schofield, and by mutual consent. You may rest assured that the Indians and thieves will be persecuted in the manner as understood by previous agreement.

I have received a communication from Laredo, Mexico, that General Escobedo will arrive at Laredo, Tex., with seventy men, with the intention to disturb the peace of Mexico.

NARANJO.

CLARK, August 3, 1877.

(Received at San Antonio, 2.46 p. m.)

To TAYLOR, *Assistant Adjutant-General,*
Department of Texas, San Antonio :

Following dispatch for information commanding general :

"DUNCAN, August 2, 1877.

"Colonel SHAFTER, *Clark :*

"Mexicans stole five head of cattle from butcher-corral, just out of town, and drove them across Rio Grande above Piedras Negras last night. I shall notify Naranjo and ask to secure their return at once. Have hardly troops enough to risk crossing so near Naranjo's forces.

"SCHOFIELD, *Major.*"

CLARK, August 2, 1877.

To SCHOFIELD, *Duncan :*

Orders are positive not to cross Rio Grande if Mexican force is ready to take the trail.

Orders also require full report of result in each case where we cease the pursuit at Rio Grande, and it is undertaken by Mexican forces. Give Naranjo the brand, and report result.

SHAFTER,
Lieutenant-Colonel.

DUNCAN, August 2, 1877.

Colonel SHAFTER :

Am satisfied that Naranjo is not acting in good faith. Will know certain in a day or two. Cattle were stolen here last night. I sent small party to trail crossing the Rio Grande, and he agreed to meet it with an officer and party of men. My party waited there one hour and forty minutes. No Mexicans came, and they returned. Our party had owner of cattle, with marks and brands, along with it, and was on the trail. Owner, with another Mexican, has now gone from Piedras Negras with an officer of Naranjo. When he returns, can judge if the general is acting in good faith.

SCHOFIELD, *Major.*

No further report has been received.

SHAFTER,
Lieutenant-Colonel, Commanding.

[First indorsement.]

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., August 4, 1877.

Respectfully forwarded to the Adjutant-General, for the information of the Secretary of War.

E. O. C. ORD,
Brigadier-General, U. S. A., Commanding.

[Second indorsement.]

ADJUTANT GENERAL'S OFFICE,
Washington, August 13, 1877.

Respectfully submitted to the Secretary of War, with copy for the State Department.

E. D. TOWNSEND,
Adjutant-General.

WAR DEPARTMENT,
Washington City, August 13, 1877.

SIR: I have the honor to transmit, for your information, copies of telegrams relating to affairs on the Rio Grande frontier, from Lieutenant-Colonels Sweitzer and Shafter, Major Schofield, and the Mexican General Naranjo.

Very respectfully, your obedient servant,

GEO. W. McCRARY,
Secretary of War.

HON. SECRETARY OF STATE.

DEPARTMENT OF STATE,
Washington, August 18, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 13th instant, inclosing copies of telegrams in relation to affairs on the Rio Grande frontier.

I am, sir, your obedient servant,

F. W. SEWARD,
Acting Secretary.

HON. GEORGE W. McCRARY,
Secretary of War.

[Personal.]

SAN ANTONIO, TEX., *August 20, 1877.*

DEAR SIR: I inclose some notes from the frontier, showing the present status. Also, a note from Mr. Weber, our consul at Monterey, and a printed article signed X; these two latter give a clear description of Mexican character, so as to guide one in intercourse with them. In Colonel Shafter's first note, he refers to the *private understanding* which I had with General Treviño, and that, I telegraphed, was on the basis of my instructions. See the part referring to the crossing of regulars being all right, but authorizing Mexicans to "go for" volunteers. The

showing of Colonel Shafter as to the scant supply of officers with the Eighth Cavalry will give you an idea of the difficulties commanding officers in the field have to secure competent company officers.

I am, sir, respectfully, &c.,

E. O. C. ORD.

Hon. GEO. W. MCCREARY,
Secretary of War.

Mr. Weber's letter will give his views as to the disposition and ability of the authorities to check raiding. In my opinion, unless, when the Diaz government is recognized, some provision is made for a joint occupancy, or expeditions of the United States troops into Mexico to punish raiders, the unusual offers now being made (on account, perhaps, of the desire for recognition) on the frontier to reach some of the raiders will cease.

I am, sir, yours, &c.,

E. O. C. ORD.

PIEDRAS NEGRAS, August 7, 1877.

DEAR COLONEL: Santos Garcia came in this morning from Zaragoza, and says that the news came there officially from Santa Rosa of a fight beyond the Sierra del Carmen between the Kickapoos and Lipaus, Mescaleros, and other Indians. The Lipans frequently steal horses from the Kickapoos, and so they done last month again. The Kickapoos followed them twice, together with citizens from Santa Rosa, but returned without success. In the last days of July about 30 Kickapoos started on foot on the trail, and on a morning at daybreak (having driven off during the night all the Lipan horses) attacked the Lipan camp, killed, besides the squaws, 17 bucks, among them the Colorado, the Tejano, and Enrique. The Kickapoos brought the 17 scalps into Santa Rosa, with 125 horses they captured. The Lipans are now four leagues west of Zaragoza, at a place called by some Barancas Colorados, and Chimineas by others, it is said in a miserable situation, very poor, &c.

The regular cavalry stationed at Zaragoza number, with band, officers, and all, 118 men, and those here 109 in all. Naranjo's escort are 16 men. The horses of those at Zaragoza are in a pitiful condition.

Yours, very truly,

WM. SCHUCHARDT.

UNITED STATES CONSULATE AT MONTEREY, MEXICO,

August 8, 1877.

GENERAL: Respectfully referring to my last of July 15, I have the honor to acknowledge the receipt of your esteemed favor of the 17th of same; many thanks for its very interesting contents.

I most cheerfully comply with your request to give you such information as I might possess concerning the ability and disposition of the Mexican authorities to suppress the raids on the Rio Grande. It is my opinion that General Treviño will try, so far as it is in his power, to co-operate with you in carrying out your order. I only fear that his means will be so limited and the assistance of his subordinates so inefficient as to prevent him in effectively aiding you.

I consider it very hazardous for him to station near the border of the Rio Grande some of his regular troops, as it is to be feared that a large

portion of them will either desert into Texas or join some of the marauding parties.

The only force that General Treviño could place some little confidence in would be the rancheros, residing on the border of the Rio Grande, but the question arises again, will General Treviño always have the necessary means to regularly pay them, and will the rancheros display the necessary activity and energy in following up the marauders and *overtake* them?

I have my doubts on the subject. The most of the rancheros, I believe, have been deriving some kind of benefit from the raiding parties, or, perhaps, are related to them, and I cannot convince myself that they will be so eager in the performance of their duties as the emergency of the case may require.

I fear that they always will be very prompt in offering you their co-operation, but in the end will find all kinds of pretexts for not having been able to overtake the raiding parties, such as *Porgese se iansó la cabattada, á caesa de la esébuesedad del terreno ; y por heber entrado la noche ;* which means, because the horses gave out on account of the roughness of the ground, and because night came on. I make use of the foregoing Spanish phrase, because all the Mexican battle and Indian reports wind up in such language.

The present governor of the State of Nuevo-Leon, perhaps convinced of the necessity of the case, has lately changed his bitter language relative to your order, and I do not think that he will throw any serious obstacles toward its execution, but I doubt if he would aid effectively.

About the temper of the governor of the State of Coahuila, I have no personal knowledge. His State is outside of my consular district. I believe he will not seriously obstruct General Treviño's dispositions, but I also doubt his good-will in assisting.

Both belong to the Mexican "Know-Nothing" party, and consequently are not well disposed toward Americans.

The polite offers and promises of Mexican authorities, military as well as civil, I am of opinion are not to be considered fully reliable. Time only can tell the extent of their sincerity. The safest way to deal with them is to keep this characteristic in constant view. "Punic faith" is a practice not unknown to Mexicans.

If agreeable to you, general, I will try to advise you of any circumstance which I may consider of service to you ; the mean time I have the honor to remain,

Very respectfully, your obedient servant,

JOHN WEBER,
United States Consul.

General E. O. C. ORD,
Commanding Department of Texas, San Antonio, Tex.

AUGUST 10, 1877.

DEAR GENERAL ORD: I inclose you a letter from Schuchardt, which will probably be of interest. The news of the killing of the Indians is confirmed by a very trusty American I had sent to Saragossa to keep a lookout for Indians, and also to watch movements of Mexican troops.

He saw three Indian men (one Comanche and two Lipans) and several women in Saragossa. They were all in mourning, (arms and legs cut,) indicating some recent disaster. If as many are killed as reported it nearly wipes out the Lipans.

H. Ex. 13—14

The man goes back to-night to keep them in view and to learn if other Indians now out in the mountains come in as expected.

Bullis goes up the river to-morrow to encamp between Devil's River and Pecos. He will have about one hundred and twenty-five men, and will be ready to follow any trail that may cross, or to go for the Indian camp if there is a prospect for getting there.

My Mexican guide, that came back day before yesterday, tells me that the Mexicans (citizens) have been told by the military that if troops of the line (regulars) cross over into Mexico, it is all right, as they are friends, but if "volunteers" cross, to go for them.

From this it would look as though the "force to force" business was weakening somewhat.

The condition of Sixth Cavalry horses is good generally; some few sore backs, but nothing very bad.

Stevenson, of Wells's company, will apply for sick-leave soon. The doctor says he has to go North to save his life. There will be no trouble about quarters as soon as I get the row of old officers' quarters fixed; am at work at it now.

Please present my regards to Mrs. Ord and your children.

Very truly, yours,

W. R. SHAFTER.

FORT CLARK, TEX., *August 18, 1877.*

DEAR GENERAL ORD: In this immediate vicinity things are just now very quiet. Bullis is up the Rio Grande a short distance, where he can make a dash at the Lipans if a chance occurs to get them in their camps.

The best guide we have is now over at Saragossa looking for the location of the camp. Bullis has one hundred and twenty-nine. At the post everything is going very well. I have every carpenter and stonemason in the command at work completing quarters for men, laundresses, and officers. The cavalry companies are in first-rate shape, except K, of the Eighth, which is in poor discipline. Stevenson, the first lieutenant, is not well, and can take but little interest in his company, and Guest is good for nothing any way.

To make two officers to a company, I have now four second lieutenants of infantry on duty with the cavalry—three with the Eighth and one (Seyburn) with the Tenth. The companies of the Eighth are in a bad fix for captains—only one for four companies, and no prospect of any more.

I have the six companies belonging to the post in one camp under Norvell, and the three temporary companies, and Kennedy's, in another, under Carpenter, who is a most excellent company commander, one of the best I have ever had.

Norvell is a very good company commander, but is not the man to have charge of six companies even in camp; in the field I should command them myself.

I would like to make one battalion of the Eighth by itself, but Wells is totally unfit to command it. I would like, for several reasons, to have Colonel Young. He is a strong, hearty officer, and apparently not afraid of work, and is senior to any company captain at the post. This would give me two captains to four companies. Carabier is not wanted for any duty he could perform, as there are plenty of infantry officers to do all post-work, while the officers for field-service are scarce among the cavalry. Stevenson, of K, consumptive, is not fit for field duty, and I do not expect he will be able to do any to amount to any-

thing; and Phelps, of A, (also going to die of consumption,) is a poor, sickly fellow, with every appearance of the consumption. There is still another reason why the change of Caraher's company for Young's will be for the best interests of the post.

To this time everything has gone smoothly and pleasantly. but Caraher is now very mad, and is bound to be as disagreeable and make as much trouble as he can, and you know how much an idle officer can do to foment trouble if he is so inclined.

I have plenty of wagons to make the move, and it can be done at once, both companies starting at the same time and exchanging transportation where they meet, and Young come up from San Antonio. I will then put the four companies of the Eighth together; two (Norvell's and Lebo's) of the Tenth together, and the four now under Carpenter as they are, making three commands, two of four companies each, and one of two.

I hope soon to get another chance to cross, and have no doubt it will soon occur, either by Indians or Mexicans. I believe the crossing below Duncan the other day, and stealing a few horses from a Mexican citizen by Indians, was a job against the adherents of Lerdo; at any rate, they were stealing from their own people.

I did the best I could, and without delay, in the matter of evidence to try and extradite the Lipans, and hope it will work.

Please present my regards to Mrs. Ord, your daughters, and nieces.

Very respectfully,

W. R. SHAFTER.

THE MEXICAN CHARACTER AND ITS IMPROVEMENT.

SAN ANTONIO, *August 17, 1877.*

Editors San Antonio Express:

At such times as the present, when the attention of a people is invited to the possibility of war, it is of interest to know the character of the nation in antagonistic array. However intimate may be the intercourse of any one with the native Mexican, beyond the confines of his own territory there is but poor opportunity offered to judge from his example and manifest characteristics of the character of his race, taken nationally. It is admitted by linguists and students of human nature that the Spanish language, and the common etiquette and manners of the Spanish race and its descendants, are most pleasant and graceful. Not even excepting the French, the Spanish is regarded for its beauty of expression and accent the most charming to the ear of all modern languages. Of course the Mexican traveler carries his tongue and manners with him, but these afford no insight into the true character and life of the man. And it may also be mentioned that it is rare to find a Mexican not gifted with a general gracefulness of movement and expression. Find him in his ignorance, and no matter how abject poverty, still there is more or less of natural grace about him. He seems to inherit politeness, and the social circle of the meanest *jacal* could often be made to serve as a school of good manners for the American. Half-naked youngsters, women with breasts bare and unkempt locks, seated upon the earth floor, surrounded by dogs, cats, pigs, and other domestic animals, may present a scene disgusting to the American eye, but there is a feeling of love that exists between the members of the family, all live in harmony, and although exceedingly poor, in apparent comfort

and evident satisfaction, for it requires but little of the "root of all evil" to bring satisfied life to the hearth-stone of the Mexican domicile.

In Mexico retail trading, even among the wealthy classes, is carried on in a hand-to-mouth way. The *real*, or bit, sounds larger in Mexico than does the silver dollar in America. The bit is divided into a *medio*, or half, and this into a *quartilla*, or quarter of a bit, which serves him almost as great a support as does the quarter of a dollar the citizen of the United States. It is not unusual to observe the Mexican pater-familias at the groceryman's counter calling for a *quartilla's* worth of beans, corn, sugar, and salt. And this purchase of food is intended to serve himself, wife, and generally three or four children for the day, or probably longer.

The Mexican laborer in Mexico makes but little money, dresses very cheaply, eats little and very common food, and knows nothing of the comforts, much less of the luxuries of life. The furniture of his house is meager, and of the roughest and most inexpensive kind, and the writer was informed by a furniture-dealer on the Texas border, not long since, that only recently have the Mexican people across the Rio Grande begun to appreciate the convenience and comfort of imported furniture and farm-implements.

Mexico is a cheap country to live in. The rich are liberal with those of their own class, whom they will favor, coveting friendly feeling, but the poor are virtually under the bondage of those more favored with the goods of the world. Through this oppression, it may be termed, of the poor by the rich, a system of peonage or serfdom, prevalent from time immemorial with this people, has been maintained. And this poverty among the working classes, begotten by their ignorance and dependence upon the rich, has excluded the advance of knowledge. Hence but slow, if any, progress has attended the Mexican people.

The rich surround themselves with the comforts of life, according to their own peculiar ideas of comfort. To dress well and bedeck themselves with gold and ornamental trappings, to smoke a *cigarito* every ten minutes, to eat plain food, served in all manner of seasonings, to sleep half the day and carouse three-fourths of the night, are a few attributes to the Mexican idea of elegant living. True, there are those of more sober disposition, whose lives are more in accord with civilized life as passed by the most enlightened nations, but the majority of wealthy Mexican residents of cities are those who live for to-day, letting to-morrow take care of itself.

But this outward display of Mexican characteristics is poorly sustained when Mexican character is put to an actual test of strength. There is no firmness, no solidity about it. And this peculiarity of character is very difficult to be understood by a people such as ours. We are made slow to get angry with Mexico simply by her good promises, and are rather induced to sympathize and pity than to despise and hate her. She is weak, yet proud; free to express her good will toward us, yet foolishly unfaithful in her conduct. A more inconsistent people never was. She feigns to be a republic, yet has but two classes, the rich and the poor—the lordly *don* and the itinerant *peon*. She is a failure as a republic. She craves to follow progressive example, but knows not how. She craves to do right, but knows not how. She craves local peace, but invites revolution. She craves American friendship, but makes us her enemies. Nothing but a complete revolution of society, morals, and habits can bring about in Mexico a reformation, national, social, and commercial, that will inure to the peace and progress of the country.

Such habits must necessarily affect the *morale* and political character of the people. The thoughtless, irresponsible, worldly habits of the rich influence the mind, and these characteristics are so prevalent, their bad influence invades the Congress of the government and its courts of justice, and so their administration of the nation's laws is with as great a carelessness as the daily character of the Mexican's living. Such habits lead to gaming and bull-fighting, cock-fighting, and all the grosser amusements.

Yet, as before stated, the Mexican is polite and affable. He is the best of diplomats, for he can talk you into anything; and even the Mexican general, take him on an average, would serve better as a patent-medicine vendor than as the director of an army. The Mexican people live upon the principle that "life is all a fleeting show for man's illusion given," not having been yet made to feel the responsibility of their acts to themselves, their Creator, and to common law. The recklessness of Mexico as a nation involves her in trouble, and her criminal negligence finds her to-day meriting and about to receive punishment from America for her refusal to take care of her own bad citizens, and she has not refused to do so in words, but on the contrary has made numerous pledges and promises. But unlike the Mexican people, we Americans cannot live on promises alone. We are a working people, the wonderful progress of whose country is based on the spirit of doing, and a promise to us unfilled is worse than no promise at all. It is hardly probable that the Mexicans will so change their past lives and their spirit as to insure safety to the Texas frontier through their own efforts very soon, at least soon enough to avert the brewing wrath of America.

Considering the character of this people, then, and their past history, unimproved in the least up to the present, it would undoubtedly be a God-send to both countries for the American nation to place a protectorate over the five northern States of Mexico. This would give immunity to our own territory, and the spirit of American progress would be infused into our stagnated sister republic. The sooner the better; but the matter will hardly receive proper attention outside of the halls of Congress.

X.

HEADQUARTERS DISTRICT OF THE NUECES,
Fort Clark, Texas, August 11, 1877.

SIR: I have the honor to submit for the information of the department commander the following telegrams and orders, which will show the action taken by me upon his dispatch of the 2d instant, notifying me that parties under the leadership of Valdez were about to violate the neutrality laws of the United States by an armed invasion of Mexico from the United States.

CLARK, *August 2, 1877.*

To SCHOFIELD, *Duncan:*

It is again reported that Valdez has a party ready to cross into Mexico. If you can find out anything about his having an organization or camp on this side, report the fact to me, and steps to secure their arrest will be taken. Send copy of this to General Naranjo, and ask him to give early information that he may get of contemplated violation of Mexican territory by revolutionary bands on this side, and I will at once cause their arrest, if satisfactory proof of their intentions can be fur-

nished; or, if they are Mexicans, and in any such force as to warrant the belief that they are together for unlawful purposes, I will place them under restraint.

W. R. SHAFTER,
Lieutenant-Colonel, Commanding.

DUNCAN, August 3, 1877.

To Colonel SHAFTER:

There is a small organized camp. I have a man who will guide us to it. They are about three hundred strong, but would not, I think, resist United States troops. Nearly two hundred are said to be Americans. Lieutenant Hall, State rangers, has arrested four or five of them in Eagle Pass to-day.

SCHOFIELD, *Major.*

CLARK, August 3, 1877.

To SCHOFIELD, *Duncan:*

K, Tenth Cavalry, forty men of B, and K, Eighth Cavalry, will start to-night and be at Duncan to-morrow by noon, as you want them to assist you. If you can manage the parties referred to by you with what men you have, say so, and will stop my men as they come through the post. Upon satisfactory proof that this party is intending to violate neutrality laws, ask commissioner to issue warrant, and arrest and disarm them.

W. R. SHAFTER,
Lieutenant-Colonel, Commanding.

DUNCAN, August 5, 1877.

To DODT, *Acting Assistant Adjutant-General:*

I struck two small camps of Mexican revolutionists shortly after sunrise this morning, and took what there was in them, namely, forty-four men and forty-three horses. Found very few arms. They were regularly organized companies under Valdez. Only two officers captured; others absent at Laredo and San Antonio. Deputy United States marshal was with me. I hold prisoners at post for him.

SCHOFIELD, *Major.*

I have further to state that as there was at that time no United States commissioner or deputy United States marshal at Eagle Pass, I had complaint made before the commissioner here, and a warrant put in hands of deputy marshal, who proceeded to Duncan and went out with Colonel Schofield and made the arrest.

The prisoners are now held by me in accordance with the request of the marshal.

There is no reasonable doubt of their intention, but there may be some trouble in proving it to the satisfaction of the United States civil authorities, as an invasion of Mexico is not considered a very serious offense on this frontier; and as the parties are nearly all Americans the proof will have to be very strong to hold them.

I am, sir, very respectfully, your obedient servant,

W. R. SHAFTER,
Lieutenant-Colonel Twenty-fourth Infantry, Commanding.

ASSISTANT ADJUTANT-GENERAL,
Department of Texas, San Antonio, Tex.

[Indorsements.]

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., August 14, 1877.

Respectfully forwarded to the assistant adjutant-general Military
 Division of the Missouri for the information of the proper authorities.

E. O. C. ORD,
Brigadier-General U. S. A., Commanding.

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, August 20, 1877.

Respectfully forwarded to the Adjutant-General of the Army.
 P. H. SHERIDAN,

Lieutenant-General, Commanding.

ADJUTANT-GENERAL'S OFFICE,
Washington, August 24, 1877.

Respectfully submitted to the Secretary of War, with copy for the
 Department of State.

E. D. TOWNSEND,
Adjutant-General.

WAR DEPARTMENT,
Washington City, August 25, 1877.

SIR: I have the honor to transmit for your information copies of
 telegrams from Major Schofield and Colonel Shafter, in relation to the
 violation by Colonel Valdez of the neutrality laws of the United States
 by an armed invasion of Mexico from this side.

Very respectfully, your obedient servant,

GEO. W. McCRARY,
Secretary of War.

Hon. SECRETARY OF STATE..

DEPARTMENT OF STATE,
Washington, August 29, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of
 the 25th instant, inclosing copies of telegrams from Major Schofield and
 Colonel Shafter, in relation to the violation by Colonel Valdez of the
 neutrality laws of the United States by an armed invasion of Mexico
 from its territory.

I am, sir, your obedient servant,

F. W. SEWARD,
Acting Secretary.

GEORGE W. McCRARY,
Secretary of War.

HEADQUARTERS DISTRICT OF THE NUECES,
Fort Clark, Texas, August 3, 1877.

SIR: I have the honor to report that, at 8 a. m. on the morning July
 29, I was informed by citizens from the mouth of the Pinto, twenty-five
 miles southwest from this post, that on the previous night thirty fat

oxen, eight horses, and a mule had been stolen from them, and driven across the Rio Grande early the morning of the 28th.

As General Naranjo, commanding Mexican forces on this frontier, had the day before in an interview expressed his earnest desire and intention to vigorously pursue and punish cattle-thieves, and as he was as near the place of crossing as I was, I telegraphed as follows :

“ CLARK, July 29, 1877.

“ To SCHOFIELD, *Duncan* :

“ Please notify Naranjo that either Indians or Mexicans crossed horses and about thirty head of cattle into Mexico a few miles above New Town, on the morning of the 28th. My scouts have followed the trail to Rio Grande. Troops will be ready to show his forces the trail to-night. Furnish them the brand and send owners along, or if he cannot pursue them I will follow them myself.

“ Acknowledge receipt and Naranjo's action.

“ W. R. SHAFTER,

“Lieutenant-Colonel Twenty-fourth Infantry.”

Receiving from Colonel Schofield notice that a cavalry company was to start at once to take the trail on the Mexican side of the river, and that Naranjo asked that the owners go along, with their brands, and identify their stock, I at once notified Bullis, who, with one hundred men, was at the Rio Grande, of this, and told him to urge the people to go, so that the sincerity of the Mexicans in this matter could be estimated.

Bullis remained at the point of crossing three miles above New Town all day the 30th and until 9 a. m. the 31st, without any Mexican troops putting in an appearance. He had, during this time, sent some of his men across the river to look for the trail, but found that the very heavy rain on the night of the 29th had completely obliterated it; for that reason he did not cross as he had been directed to do in case of failure of Mexicans to take the trail.

On the night of the 31st I received inclosed letter of General Naranjo, dated Piedras Negras, July 29, from which I learned what Schofield had failed to tell me in his dispatch, that Naranjo's men would wait at New Town my officer and the owners of the stolen cattle with brands, &c.

I at once sent word to Bullis to hasten opposite New Town and send the men over. This was done, four of the owners crossing to the town on the 1st instant.

They found the Mexican troops gone, but applied to the alcalde for assistance, who refused to allow them to look in the range for their stock, and told them they were not safe in remaining, and that they had better get back to the United States, which they did.

Their statement in reference to this, as taken by Lieutenant Jones, is inclosed, marked “A,” also letters of Naranjo, marked respectively “B” and “C,” and note from Lieutenant Bullis of July 30, and my reply to General Naranjo's letter of July 31, marked “D.”

I am, sir, very respectfully, your obedient servant,

W. R. SHAFTER,

Lieutenant-Colonel Twenty-fourth Infantry, Commanding.

ASSISTANT ADJUTANT-GENERAL,

Department of Texas, San Antonio, Tex.

CAMP SCOUTING EXPEDITION ON RIO GRANDE,
Near Fritter's Ranch, Texas, July 30, 1877.

Lieutenant DODT: Arrived at the crossing where the stolen stock was crossed at sunrise this morning. No Mexican troops as yet arrived; it is now sunset; a heavy rain fell here night before last and entirely obliterated the trail; it cannot be followed, I am sorry to say. Have had the owners of the stolen stock here all day; they tell me Ariola is the thief, and they think he has it at his ranch on the San Diego River, eight miles distant. Have observed several Mexicans on the hills on the Mexican shore during the day. They appeared to be watching our movements. As I cannot follow the trail, I will move down the river in the morning as directed.

Respectfully,

J. L. BULLIS,
First Lieutenant Twenty-fourth Infantry, Commanding.

FORT CLARK, TEXAS,
August 3, 1877.

SIR: I have the honor to report that, having gone to the mouth of Piedras Pintas Creek in compliance with verbal instructions from the district commander to gain information in regard to the stock lately crossed from this to the Mexican side of the Rio Grande by thieves, I learned, among other things, that on August 1, 1877, four citizens from this side, who had lately lost stock, crossed the river and went to the alcalde at New Town and asked permission of him to go on the range in the vicinity of New Town for the purpose of looking for their stolen stock. The alcalde replied that he did not have orders to let them hunt for their stock; that they had better get back to the other side of the river, and had better keep together going back, as Ariola was out; the Ariola referred to being a Mexican living in New Town. The four citizens who made this application to the alcalde were Allen Dimry, Albert Dimry, Hayden Beel, and Moses Morris. Two of these citizens, Allen Dimry and Hayden Beel, I saw myself, and they both made the above statement to me. Albert Dimry made the same statement to Lieutenant Bullis. Moses Morris I did not see, as he was away from here.

I am, sir, very respectfully your obedient servant,

T. W. JONES,
Second Lieutenant Tenth Cavalry.

ACTING ASSISTANT ADJUTANT-GENERAL,
District of the Nueces.

CONSTITUTIONAL ARMY,
LINE OF THE NORTH, GENERAL SECOND IN CHIEF,
Piedras Negras, July 29, 1877.

SIR: I am in possession of the contents of the telegram directed to you by Colonel Shafter, and, in answer, inform you that there starts immediately a company for the locality, under the orders of Captain Martinez. Therefore, you can send to the Resurrection the person who will show them the trail, (or track,) and the owners of the animals stolen, with the irons and marks of whom, if only two or three, if they

wish it, they can accompany our soldiers, who have orders to pursue to the utmost practicable.

Wherever a similar case occurs, and Colonel Shafter pleases to communicate it to me, I shall be ready to operate speedily with best will, and ever in accordance with all that may tend to the security of this frontier.

I return herewith the telegram.

I am, with much consideration, respectfully, yours,

F. NARANJO.

Maj. G. W. SCHOFIELD,
Fort Duncan, Texas.

CONSTITUTIONAL ARMY,
LINE OF THE NORTH, GENERAL SECOND IN CHIEF,
Piedras Negras, July 31, 1877.

SIR: Captain Martinez, under yesterday's date, informed me that he arrived at the town Jimenez at daybreak, and that he did not find there the person who was to point out to him the trail, nor the owners of the stolen animals, according to my offer to Colonel Shafter; as also that he could not discover that any Indians or other people had passed that way. On account of this I have sent at once a party to explore as far as the arroyo called "las Vacas," and the "presidio of San Vicente," to see if they can succeed in finding, about those narrow places, any stock or sign; the which I communicate to you, that you may please inform Col. Shafter, and to say on my part that the result shows that he has been imperfectly informed, or that there has been a failure on the part of the individuals that were sent to point out the trail.

F. NARANJO.

Maj. G. W. SCHOFIELD,
Fort Duncan, Texas.

[Telegram.]

CLARK, August 2, 1877.

To SCHOFIELD,
Fort Duncan, Texas:

Notify General Naranjo that Lieutenant Bullis, with one hundred men, was on the river-bank, three miles above New Town, at the place where the stock was crossed, from sunrise the 30th till 9 a. m. the 31st, waiting to with owners and brands of stock, and that Lieutenant Bullis reports that no Mexican forces were seen.

Dispatch of the 29th distinctly stated that the trail crossed the Rio Grande a few miles above New Town, and that this was where our men would be found, and not at New Town; also say to General N. that the district commander was not misinformed as to cattle and horses being stolen and crossed into Mexico as stated.

HELENUS DODT,
Acting Assistant Adjutant-General.

[Indorsements.]

HEADQUARTERS DEPARTMENT OF TEXAS.
San Antonio, Tex., August 7, 1877.

A true copy respectfully forwarded to the assistant adjutant-general Military Division of the Missouri, for the information of the Lieutenant General commanding.

E. O. C. ORD,
Brigadier-General, Commanding.

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, August 15, 1877.

Respectfully forwarded to the Adjutant-General of the Army.
P. H. SHERIDAN,
Lieutenant-General, Commanding.

ADJUTANT-GENERAL'S OFFICE,
Washington August 21, 1877.

Respectfully submitted to the Secretary of War, with copy for the
Department of State.

E. D. TOWNSEND,
Adjutant-General.

WAR DEPARTMENT,
Washington, August 23, 1877.

SIR: I have the honor to transmit, for your information, copy of correspondence forwarded by Colonel Shafter, commanding Fort Clark, Texas, relative to oxen, horses, and mules said to be stolen either by Mexicans or Indians and crossed into Mexico.

Very respectfully, your obedient servant,

GEO. W. McCRARY,
Secretary of War.

Hon. SECRETARY OF STATE.

DEPARTMENT OF STATE,
Washington, August 27, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 23d instant, inclosing a copy of correspondence forwarded by Colonel Shafter, commanding Fort Clark, Texas, relative to oxen and horses said to be stolen either by Mexicans or Indians and crossed into Mexico.

I am, sir, your obedient servant,

F. W. SEWARD,
Acting Secretary.

Hon. GEORGE W. McCRARY,
Secretary of War.

EL PASO, TEX., *July 21, 1877.*

SIR: In compliance with paragraph 1, Special Orders No. 52, Headquarters District New Mexico, July 12, 1877, I have the honor to report my arrival here on the morning of the 18th instant. Since then I have endeavored to learn, from reliable sources, the exact state of affairs, as directed in letter of instructions accompanying the above-mentioned order, with the following result:

Some six weeks ago, Colonel Macheno, with party of followers, were driven to this side of the Rio Grande, from El Paso, Mexico, by the citizens favorable to Diaz's administration; that Macheno endeavored to reorganize his forces on this side for the purpose of retaking El Paso; that he failed to secure a sufficient force, and left for San Antonio, Tex. A portion of his force have been seen living at Ysleta, Tex.,

twelve miles distant from this place. This morning the sheriff of this county informed me that "Colonel Macheno, with a party of Texans, was expected to arrive at Ysleta on the 23d instant, there to be joined by a force of Macheno, and another attempt made to retake El Paso."

In an interview with the jefe politico of El Paso yesterday, he informed me that a party was organizing at Ysleta. This may be true. If so, their meetings are held so secretly that the fact is not known. The United States collector here has had his inspectors on the lookout for this party, and they have been unable to see any such organization, or that any has been contemplated since the departure of Macheno, who seems to be the leading spirit of the Lerdo party on this frontier.

The authorities on the Mexican side are very much excited, having guards stationed along the river-bank for over forty miles, anticipating an invasion from American soil.

I have been unable to learn of any contemplated arrests of refugees on this side by parties from Mexico; in fact, all fears of Mexicans from the other side of the river seem to have subsided, although there is yet a general feeling of insecurity prevailing here on account of the absence of troops and inability of the civil authorities to enforce the laws when necessary.

Respectfully submitted.

L. H. RUCKER,

First Lieutenant, Regimental Quartermaster Ninth Cavalry.
ASSISTANT ADJUTANT-GENERAL,
District New Mexico, Santa Fé, N. Mex.

FRANKLIN, TEX., July 24, 1877.

SIR: I have the honor to report that, since my communication of the 21st instant, nothing has transpired relative to the organization of armed parties on this side of the Rio Grande, for the invasion of Mexico. Rumors are current to the effect that Colonel Macheno is *en route* from San Antonio to Ysleta, Tex., with a party; also that a force is organizing at Los Cruces, N. Mex., for the purpose of invading Mexico. I cannot trace these rumors to any reliable source, the explanation given for them being the simple fact that several of Macheno's men have been seen at the place above named, and it is supposed that they are endeavoring to raise sufficient force to retake El Paso.

The citizens of El Paso are preparing for defense—have barricaded the streets, and taken other necessary precautions to prevent the capture of their city.

Very respectfully, your obedient servant,

L. H. RUCKER,

First Lieutenant, Regimental Quartermaster Ninth Cavalry.
ACTING ASSISTANT ADJUTANT-GENERAL,
District New Mexico.

[Indorsement.]

HEADQUARTERS DISTRICT OF NEW MEXICO,
ACTING ASSISTANT ADJUTANT GENERAL'S OFFICE,
Santa Fé, N. Mex., July 31, 1877.

Respectfully forwarded to the assistant adjutant-general Department of the Missouri.

It is evident from the report of Lieutenant Rucker that the garrison

of El Paso should have been retained. El Paso not being in the district of New Mexico, I request instructions, should it be found necessary to send troops there. Also, authority to secure the buildings for quartering troops recently used by the garrison belonging to the Department of Texas, should the department commander decide to send troops to El Paso.

EDWARD HATCH,
Colonel Ninth Cavalry, Commanding.

[First indorsement.]

HEADQUARTERS DEPARTMENT OF THE MISSOURI,
Fort Leavenworth, Kans., August 9, 1877.

Respectfully forwarded to the Adjutant-General of the Army, through office of the assistant adjutant-general headquarters Military Division of the Missouri, for the information of higher authority, with copy of telegram dated August 7, 1877, addressed to the commanding officer district of New Mexico, inclosed.

JNO. POPE,
Brevet Major-General, U. S. A., Commanding.

[Telegram.]

HEADQUARTERS DEPARTMENT OF THE MISSOURI,
Fort Leavenworth, Kans., August 7, 1877.

COMMANDING OFFICER,
District of New Mexico, Santa Fé, N. Mex.:

It is not considered that the report of Lieutenant Rucker indicates the necessity of sending troops to El Paso, Tex. Should it become necessary, you are authorized to send a company to occupy any public quarters there or encamp.

Lieutenant Rucker must be directed to attempt to prevent any party from invading Mexico from our territory. He must warn any one leading such party that he will be seized by our troops and turned over to civil authority. He must report at once in case such attempt be made. Acknowledge receipt.

By command of Brigadier-General Pope.

E. R. PLATT,
Assistant Adjutant General.

[Telegram.]

SANTA FÉ, N. MEX., August 8, 1877.

ASSISTANT ADJUTANT-GENERAL,
Fort Leavenworth, Kans.:

Reports of Lieutenant Rucker mailed to you yesterday indicate no trouble; since then a party of robbers seized a United States wagon between Selden and Bayard; fled to El Paso, Mexico. The wagon, stores, and six mules are recovered. Lieutenant Rucker, with the proper requisition, demands the robbers to morrow. If they are given up, shall be obliged to send a guard for them.

Telegram of this date received.

HATCH,
Colonel, Commanding.

[Second indorsement.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, August 13, 1877.

Respectfully forwarded to the Adjutant-General of the Army.
- P. H. SHERIDAN,
Lieutenant-General, Commanding.

[Third indorsement.]

ADJUTANT-GENERAL'S OFFICE,
Washington, August 20, 1877.

Respectfully submitted to the Secretary of War, with copy for the
Department of State.

E. D. TOWNSEND,
Adjutant-General.

WAR DEPARTMENT, August 21, 1877.

SIR: I have the honor to transmit a copy of reports of Lieutenant Rucker, Ninth Cavalry, of affairs at El Paso, Texas, who thinks the garrison should have been retained there; forwarded by Colonel Hatch, with remarks. Also copy of instructions in the case from General Pope, commanding the Department of the Missouri.

Very respectfully, your obedient servant,

GEO. W. MCCRARY,
Secretary of War.

The honorable the SECRETARY OF STATE.

DEPARTMENT OF STATE,
Washington, August 25, 1877.

SIR: I have the honor to acknowledge the receipt of your communication of the 21st instant in relation to the state of affairs at El Paso, Texas.

I am, sir, your obedient servant,

F. W. SEWARD,
Acting Secretary.

HON. GEORGE W. MCCRARY, *Secretary of War.*

[Telegram.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, Ill., August 28, 1877.

General E. D. TOWNSEND,
Washington, D. C.:

The following dispatch, just received from General Ord, is respectfully forwarded.

P. H. SHERIDAN,
Lieutenant-General.

"SAN ANTONIO, August 27.

"The following received from Fort Brown: Saw Generals Benavides and Canales; they assure me everything is being done by them to arrest

the remaining raiders and prisoners. Of the four now arrested two come under the extradition treaty and are ready to be delivered, one raider and one prisoner. They know the whereabouts of the rest, except the two Texans and the unknown. Owing to the great animosity existing between the Texan and Mexican border citizens it is difficult to inspire them with zeal in the apprehension. General Benavides has dismissed two captains of local troops for want of zeal. Any unlawful interference of our citizens only impedes the efforts of the authorities. Judge Russell, United States extradition agent, is here. The Mexican agent is in Matamoras.

"SWEITZER,
"Commanding."

[Indorsement.]

ADJUTANT-GENERAL'S OFFICE,
Washington, August 28, 1877.

Respectfully submitted to the Secretary of War, with copy for the Department of State.

E. D. TOWNSEND,
Adjutant-General.

WAR DEPARTMENT,
Washington City, August 28, 1877.

SIR: I have the honor to inclose for your information copy of a telegram of this date from General Sheridan, repeating one received from Colonel Sweitzer through General Ord, concerning the extradition of Mexican raiders, with report that assurance is given by Mexican authorities that everything is being done to arrest the parties.

Very respectfully, your obedient servant,

GEO. W. McCRARY,
Secretary of War.

The honorable the SECRETARY OF STATE.

DEPARTMENT OF STATE,
Washington, August 30, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 28th instant inclosing a copy of a telegram from General Sheridan repeating one from Colonel Sweitzer concerning the extradition of Mexican raiders, &c.

I am, sir, your obedient servant,

F. W. SEWARD,
Acting Secretary.

Hon. GEORGE W. McCRARY,
Secretary of War.

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, Ill., Aug. 24, 1877.

General E. D. TOWNSEND,
Washington, D. C.:

The following dispatch has just been received from General Ord. I

am of the opinion that the conversation reported in it is entitled to but little importance.

The reply of the governor of Texas to General Ord's dispatch will be transmitted when received.

P. H. SHERIDAN,
Lieutenant-General.

The following received from Brown. General Benavides handed me, yesterday, the following message for transmission to you:

"To Brigadier-General ORD,

"Commanding Department of Texas, San Antonio, Tex.:"

"Colonel José Maria Gomez, post-commander at Camargo, to-day communicates to Major-General Seward Cavalez the following telegram:

"At 9 o'clock last night, in an interview I had with the commanding officer of the State volunteers, who have arrived at Rio Grande City, he informed me that he has received orders from the governor of the State of Texas to pursue and arrest all criminals wherever they may be found, even though it be upon Mexican soil, in case they are not promptly delivered up by the authorities. I have answered him that I have orders to pursue and arrest all persons who may commit depredations upon the United States territory and afterward seek refuge upon Mexican soil; that relative to delivering them up I shall confine myself strictly to the orders I may receive from headquarters. I also notify headquarters that there are at present organizing in State of Texas, according to the statement of said commander, twenty-five thousand volunteers for the campaign against Mexico. Escobedo, his son, and San Mouroy are still in Davis. I beg, general, to call your attention to the aforesaid assertion of the commanding officer of the State volunteers in Rio Grande City, in his conversation with Colonel Gomez.

"GENERAL BENAVIDES.

"SWEITZER, Commanding."

"I telegraphed at once to Governor Hubbard:

"Your letter, with Captain Hall's, received. My advices do not agree with latter. My orders prohibit crossing on trails after any sort of raiders where there are Mexican troops to arrest or pursue such. Benavides telegraphs that Hall proposes to cross at Camargo, and says he is authorized by orders from you to pursue and arrest all criminals wherever they may be found, even on Mexican soil; if this is so, and he crosses, unless my orders are changed, he will cross without aid from regulars. Hall, also, according to my advice, stated to Colonel Gomez that there are twenty-five thousand volunteers organized in Texas for campaign in Mexico; such talk, if reported correctly, is likely to stop efforts on the part of the Mexican authorities to capture and return the rescued prisoners under extradition treaty.

"ORD, Brigadier-General."

Forwarded for information of proper authorities.

ORD, Brigadier-General.

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,

Chicago, Ill., August 25, 1877.

General E. D. TOWNSEND,

Washington, D. C.:

The following dispatch from General Ord has just reached me, and is transmitted for the information of the honorable Secretary of War.

P. H. SHERIDAN,
Lieutenant-General.

"Governor answers: Strict orders given Hall to confine his operations to this side. I make demand under extradition treaty; if that fails, then I shall introduce other actors, I hope, but always by consent of United States Government.

"HUBBARD."

WAR DEPARTMENT,
Washington City, August 28, 1877.

SIR: I have the honor to transmit, for your information, copy of a dispatch of the 24th instant from General Sheridan, repeating a dispatch from General Ord in regard to the statement of the commanding officer of the Texas State volunteers, that he has received orders from the governor of Texas to pursue and arrest all criminals wherever they may be found, even though it be upon Mexican soil, with a copy of General Ord's telegram to the governor of Texas upon the subject. I also inclose copy of a dispatch of the 25th instant from General Sheridan, giving a copy of a dispatch from General Ord, stating that the governor of Texas has given orders to Captain Hall to confine his operations to this side of the Rio Grande, and that the governor will make his demand under the extradition treaty; and if that fails, he will take other action by consent of the United States Government.

Very respectfully, your obedient servant,

GEO. W. MCCRARY,
Secretary of War.

The honorable the SECRETARY OF STATE.

DEPARTMENT OF STATE,
Washington, August 30, 1877.

SIR: I have the honor to acknowledge with satisfaction the receipt of your communication of the 28th instant, in relation to the orders received by Captain Hall from the governor of Texas to pursue and arrest all criminals, confining his operations to this side the Rio Grande, &c.

I am, sir, your obedient servant,

F. W. SEWARD,
Acting Secretary.

Hon. GEORGE W. MCCRARY,
Secretary of War.

OFFICE OF FALTIN & SCHREINER,
DRY GOODS, GROCERIES, &C.,
Kerrville, Kerr County, Texas, July 22, 1877.

DEAR SIR: The Indians made their appearance at the head of the Guadalupe River, about fifteen miles above here, yesterday evening; they run a young man named John Baker for about two miles; a good many horses reported missing in that neighborhood; please notify General Ord in San Antonio so he may have them intercepted on their way back to Mexico; they are no doubt Mexican Indians. If your office is not opened yet, you will confer a great favor on the people here by sending this to the telegraph-operator at Boerne, with request to telegraph news of this raid to military headquarters.

Yours, respectfully,

FALTIN & SCHREINER.

Dr. PETERSON, *Comfort.*
H. Ex. 13—15

[Indorsement.]

COMFORT, TEX., July 22—4 p. m., 1877.

Telegraph-operator U. S. M. Telegraph, Fredericksburg :

Please send a brief of the inclosed to department headquarters at San Antonio at once, and send this letter by mail to General Ord, and oblige.

DR. FRED. PETERSON.

Respectfully forwarded.

OPERATOR,
Fredericksburg, Tex.

JULY 23, 1877.

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., July 27, 1877.

Official copy respectfully forwarded to the Adjutant-General of the Army, through headquarters Military Division of the Missouri.

E. O. C. ORD,
Brigadier General, U. S. A., Commanding.

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, August 2, 1877.

Respectfully forwarded to the Adjutant-General of the Army.

P. H. SHERIDAN,
Lieutenant-General, Commanding.

ADJUTANT-GENERAL'S OFFICE,
Washington, August 7, 1877.

Respectfully submitted to the Secretary of War, with copies for Interior Department and Department of State.

E. D. TOWNSEND,
Adjutant-General.

WAR DEPARTMENT,
Washington City, August 8, 1877.

SIR: I have the honor to transmit, for your information, copy of a telegram of July 22, 1877, from Faltn & Schreiner, of Kerrville, Tex., stating that a raid had been made at the head of Guadalupe River by Indians supposed to be from Mexico.

Very respectfully, your obedient servant,

GEO. W. MCCRARY,
Secretary of War.

The honorable the SECRETARY OF THE INTERIOR.

WAR DEPARTMENT,
Washington City, August 8, 1877.

SIR: I have the honor to transmit, for your information, copy of a telegram of July 22, 1877, from Falton & Schreiner, of Kerrville, Tex., stating that a raid had been made at the head of the Guadalupe River by Indians supposed to be from Mexico.

Very respectfully, your obedient servant,

GEO. W. MCCRARY,
Secretary of War.

The honorable the SECRETARY OF STATE.

HEADQUARTERS DISTRICT OF NEW MEXICO,
Santa Fé, N. Mex., August 16, 1877.

SIR: I have the honor to report that the indications are such that parties are organizing ostensibly in the Lerdo interest to cross into Mexico, but probably for the purpose of plunder. I thought it proper to order troops to the Mesilla Valley, with the intention of breaking up those bands.

The cavalry companies are so reduced that I have thought best to order one from Bayard and one from Stanton. Together, they will furnish from forty to fifty men, and give me more officers, which will assist in making an appearance of force, probably all that is required, though I hope to capture a party said to be in the vicinity of the Traco Tanks. This band I believe to be in possession of arms, about fifty different breech-loading patterns, stolen in July from Fort Craig magazine.

These arms are believed to have been taken from magazine by sentinels on guard at the post, and it is my impression, for the revolutionists. If persons are caught in possession of these arms we can hold them for theft, if not for violation of neutrality laws.

It is possible that these reports of organization may not have the most reliable information and may be exaggerated. I decided to thoroughly clear up the matter, and to learn at once what the intentions are of any armed party who may be near the border.

The government wagon and team captured between Selden and Bayard were turned over by the Mexican authorities, and the leader, named Joseph Smith, an American, was turned over to Lieutenant Rucker, at El Paso, and who, by permission of the civil authorities, is held in confinement at Fort Bayard. The Mexican who was engaged in the robbery they declined to give up, he being a Mexican citizen. As the Mexican authorities behave fairly in the matter they will probably surrender this man (Arriquito Abelos) on the proper demand made for him upon the central government.

Lieutenant Rucker has been instructed to learn what they require. It is important that he should be tried, to prevent further attempts of the kind.

The Mexican authorities are, I think, satisfied that we intend to prevent filibustering, if possible, and will not sanction any raiding from their country on our territory.

Very respectfully, your obedient servant,

EDWARD HATCH,
Colonel Ninth Cavalry, Commanding.

The ASSISTANT ADJUTANT-GENERAL,
Department of the Missouri, Fort Leavenworth, Kansas.

[Indorsement.]

HEADQUARTERS DEPARTMENT OF THE MISSOURI,
 ASSISTANT ADJUTANT-GENERAL'S OFFICE,
Fort Leavenworth, Kans., August 22, 1877.

Official copy, with copies of report of Lieutenant Rucker, and the telegram to the district commander, respectfully forwarded to the Adjutant-General United States Army through headquarters Military Division of the Missouri, for the information of higher authority.

JNO. POPE,
Brevet Major-General, U. S. A.

EL PASO, TEX., August 8, 1877.

SIR: I have the honor to report everything quiet here since my communication of the 2d instant. This morning, while visiting El Paso, Mexico, I was informed by the "gefe politico" that Machomo was organizing a force at a place known as Hueco Tanks, about thirty miles northeast of here; that Machomo had eighty men, and contemplated a movement into Mexico about the 10th instant. I have no means of ascertaining whether this report is true or not; believe it is reliable. My informant stated that this news is idle rumor; that his information was derived from one of his spies, who had seen the party at the place mentioned, and that Machomo was there in person.

Very respectfully, your obedient servant,

L. H. RUCKER,

First Lieutenant and Regimental Quartermaster, Ninth Cavalry.

ACTING ASSISTANT ADJUTANT-GENERAL,

District of New Mexico, Santa Fé, N. Mex.

[Indorsement.]

HEADQUARTERS DISTRICT OF NEW MEXICO,

Santa Fé, N. Mex., August 15, 1877.

Respectfully forwarded to the assistant adjutant-general, Department of the Missouri.

This letter, with information received here reasonably corroborative, indicates that the report has foundation. Troops are now ordered to that vicinity, and will prevent flibustering by Machomo, who is advertising for men in the interest of Lerdo, but, judging from his last raid on El Paso, I presume his object is, as before, for plunder.

EDWARD HATCH,

Colonel Ninth Cavalry, Commanding.

[Telegram.]

HEADQUARTERS DEPARTMENT OF THE MISSOURI,

Fort Leavenworth, Kans., August 22, 1877.

COMMANDING OFFICER DISTRICT OF NEW MEXICO,

Santa Fé, N. Mex.:

Report of August 16 received. If persons are apprehended by cavalry sent to Mesilla Valley, they should be taken to Santa Fé, and held for orders in their cases.

By command of General Pope.

PLATT,

Assistant Adjutant-General.

[Indorsements.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,

Chicago, August 29, 1877.

Respectfully forwarded to the Adjutant-General of the Army.

P. H. SHERIDAN,

Lieutenant-General, Commanding.

ADJUTANT-GENERAL'S OFFICE,
Washington, September 3, 1877.

Respectfully submitted to the Secretary of War, with copy for Department of State.

E. D. TOWNSEND,
Adjutant-General.

WAR DEPARTMENT,
Washington City, September 4, 1877.

SIR: I have the honor to transmit for your information copy of a telegram of the 16th ultimo from the commanding officer district of New Mexico, reporting on the condition of things on the Mexican border, and the measures taken to prevent the crossing into Mexico of parties supposed to be organizing for that purpose; also in regard to captured United States property turned over by Mexican authorities and the surrender of the marauders.

Very respectfully, your obedient servant,

GEO. W. MCCRARY,
Secretary of War.

To the honorable the SECRETARY OF STATE.

WAR DEPARTMENT,
Washington City, August 28, 1877.

SIR: I have the honor to transmit for your information copy of telegrams from Colonel Hatch, Lieutenant Rucker, and headquarters Department of the Missouri concerning affairs on the Rio Grande.

Very respectfully, your obedient servant,

GEO. W. MCCRARY,
Secretary of War.

To the honorable the SECRETARY OF STATE.

DEPARTMENT OF STATE,
Washington, September 1, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of the 28th ultimo, inclosing copies of telegrams in relation to affairs on the Rio Grande.

I am, sir, your obedient servant,

F. W. SEWARD,
Acting Secretary.

Hon. GEORGE W. MCCRARY,
Secretary of War.

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, Ill., September 8, 1877.

The following despatch from General Ord just received:

"SAN ANTONIO, September 8.

"The follownig brief of telegram received last night from Brownsville:
"Fifteen hundred Mexican troops ready at Vera Cruz to embark for Matamoras under command of Gonzales. Their proposed mission is to

enforce terms of extradition treaty between United States and Mexico and enforcing order on the border. Local authorities being under local influence, this measure necessary, if extradition treaty to be enforced and good order maintained, as central government appears earnestly to desire.' Signed Sweitzer.

"I shall go and see Gonzales on his arrival.

"ORD, *Brigadier-General.*"

P. H. SHERIDAN,
Lieutenant-General.

Gen. E. D. TOWNSEND,
Washington, D. C.

WAR DEPARTMENT,
Washington City, September 10, 1877.

SIR: I have the honor to transmit for your information copy of a telegram of the 8th instant, giving a brief of one from Brownsville, to the effect that 1,500 Mexican troops, under Gonzales, are at Vera Cruz ready to embark for Matamoras, with the object of enforcing the terms of the extradition treaty with the United States, considered necessary by the Central Government of Mexico on account of the local authorities being under local influences.

Very respectfully, your obedient servant,

H. T. CROSBY,

Chief Clerk, for the Secretary of War in his absence.

HON. SECRETARY OF STATE.

HEADQUARTERS POST OF FORT DUNCAN, TEXAS,
August 26, 1877.

SIR: As directed by the general commanding in a communication dated San Antonio, Tex., August 18, 1877, I have the honor to make the following statement of my own action and that of the Mexican officers, up to the present date, in connection with the the papers sent me to be presented to General Falcon calling for the extradition of certain Lipan Indians.

Immediately on receipt of the papers I sent an officer with them to Col. F. Nuncio, senior military officer at Piedras Negras, with a note from myself. Colonel Nuncio promptly replied that it was not in his power to dispose of the matter, and at once (as requested by me) dispatched the papers to General Falcon.

The substance of General Falcon's reply is supposed to be contained in the inclosed communication from Colonel Nuncio of this date. I say *supposed*, because General Falcon's letter has not been shown to me.

I feel that I am not presuming in asserting the belief that nothing will be done by the military authorities of Mexico in earnest to secure the persons of the Indians called for.

Of course General Falcon could get accurate information as to the whereabouts of these Indians in less than forty-eight hours if he chose to do so. Mr. Schuchardt told me yesterday that the Lipans were in camp not far from Zaragoza; that he was so informed by a Mexican who had just come from that place, and that the same Mexican had before

given valuable information which had subsequently been found to be correct.

It is well known that Lipans have been in and about the town of Zaragoza several times since Trevino came to this frontier.

I respectfully request that the statements made in Colonel Nuncio's communication be sent to Judge Paschal from department headquarters, if it is deemed necessary that he should be so informed.

Very respectfully, your obedient servant,

G. W. SCHOFIELD,

Major Tenth Cavalry, Commanding Post.

ASSISTANT ADJUTANT-GENERAL DEPARTMENT OF TEXAS,

San Antonio, Tex.

[First indorsement.]

HEADQUARTERS DEPARTMENT OF TEXAS,

San Antonio, Tex, August 30, 1877.

Respectfully forwarded to the assistant adjutant-general Military Division of the Missouri.

E. O. C. ORD,

Brigadier-General, Commanding.

[Second indorsement.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,

Chicago, September 5, 1877.

Respectfully forwarded to the Adjutant-General of the Army.

P. H. SHERIDAN,

Lieutenant-General, Commanding.

[Third indorsement.]

Respectfully submitted to the Secretary of War, with copy for the Department of State.

E. D. TOWNSEND,

Adjutant-General.

ADJUTANT-GENERAL'S OFFICE,

September 10, 1877.

WAR DEPARTMENT,

Washington City, September 11, 1877.

SIR: I have the honor to transmit for your information a copy of a report of Maj. G. W. Schofield, Tenth Cavalry, giving result of his application to the Mexican authorities for the extradition of the Lipan Indians.

Very respectfully, your obedient servant,

H. T. CROSBY,

Chief Clerk.

For the Secretary of War in his absence.

HON. SECRETARY OF STATE.

HEADQUARTERS DISTRICT OF THE NUECES,

Fort Clark, Texas, September 14, 1877.

SIR: For the information of the department commander, I have the honor to state that although the instructions given to Captain Ken-

nedy and Lebo, Tenth Cavalry, and Lieutenant Jones, Tenth Cavalry, direct these officers to cross into Mexico when a trail is found by them which leads across the river, they understand that, should any Mexican troops be found on the Mexican side, the instructions for "co-operation" will apply to them, and the pursuit will be left to them. There are, however, no Mexican troops where these officers are to operate.

Very respectfully, your obedient servant.

W. R. SHAFTER,

*Lieutenant-Colonel Twenty-fourth Infantry, Commanding.
Assistant Adjutant-General Department of Texas, San Antonio, Tex.*

Official:

HUGH G. BROWN.

Aide-de-Camp.

[Special Orders No. 75.—Extract.]

HEADQUARTERS DISTRICT OF THE NUECES,
Fort Clark, Texas, September 10, 1877.

* * * * *

II. Capt. W. B. Kennedy, Tenth Cavalry, with his company, F, Tenth Cavalry, will leave on a scout on the 13th instant.

The company will be fully armed and equipped, each man provided with one hundred rounds of carbine-ammunition, rationed for thirty days, and animals foraged for ten days.

The quartermaster's department will furnish six Army wagons, teamsters rationed to September 30, and animals foraged for two days.

* * * * *

By order of Lieut. Col. W. R. Shafter.

HELENUS DODT,
Acting Assistant Adjutant-General.

Official:

HUGH G. BROWN,

Aid-de-Camp.

[Special Orders No. 75.—Extract.]

HEADQUARTERS DISTRICT OF THE NUECES,
Fort Clark, Texas, September 10, 1877.

* * * * *

IV. A detail, to consist of two non-commissioned officers and thirteen privates, Company L, Tenth Cavalry, fully armed and equipped for field service, under existing orders, each man provided with one hundred rounds of carbine-ammunition and rations for forty-five days, will report at these headquarters on the morning of the 12th instant.

The detail will be provided with six pack-mules and two led horses.

V. Acting Assistant Surgeon I. B. Baggett, U. S. A., will report at this headquarters on the morning of the 12th instant, prepared to go on a scout for forty-five days.

The commanding officer Company F, Eighth Cavalry, will furnish him a serviceable horse and equipment.

The necessary medical stores will be furnished him by the post-surgeon, Fort Clark, for sixty men.

By order of Lieut.-Col. W. R. Shafter.

HELENUS DODT,
Acting Assistant Adjutant-General.

Official:

HUGH G. BROWN,
Aid-de-Camp.

[Special Orders No. 176.]

HEADQUARTERS FORT CLARK, TEXAS,
September 10, 1877.

I. Capt. Thomas C. Lebo, Tenth Cavalry, with one company officer and sixty enlisted men, Company K, Tenth Cavalry, fully armed and equipped for field service, under existing orders, will proceed on a scout on the morning of the 14th instant, under instructions from these headquarters. Each man will be provided with one hundred rounds of carbine-ammunition and rations for fifty days.

The pack-mules and horses to be provided with forage for ten days.

The quartermaster's department will furnish one yellow ambulance and nine Army wagons; teamsters rationed to include 30th of September; animals foraged for fifteen days.

II. First Lieut. Charles L. Davis, Tenth Infantry, and fifteen enlisted men, Company B, Tenth Infantry, fully armed and equipped for field service, each man provided with one hundred rounds of ammunition and rationed for fifty days, will report to Capt. Thomas C. Lebo, Tenth Cavalry, for scouting duty, on the morning of the 14th instant, at camp Tenth Cavalry, on Pinto.

By order of Lieut. Col. W. R. Shafter.

HELENUS DODT,
First Lieutenant and Adjutant Twenty-fourth Infantry,
Post-Adjutant.

Official:

HUGH G. BROWN,
Aid-de-Camp.

[Special Orders No. 176.]

HEADQUARTERS, FORT CLARK, TEXAS,
September 10, 1877.

III. Assistant Surgeon William C. Shannon, United States Army, will report to Capt. Thomas C. Lebo, Tenth Cavalry, on the morning of the 14th instant, ready to go on a scout for fifty days. Assistant Surgeon P. Middleton, United States Army, will furnish him medical stores for seventy-five men.

By order of Lieut. Col. W. R. Shafter.

HELENUS DODT,
First Lieutenant, Adjutant Twenty-fourth Infantry,
Post-Adjutant.

Official:

HUGH G. BROWN,
Aid-de-Camp.

[Special Orders, No. 175.]

HEADQUARTERS FORT CLARK, TEXAS,
September 10, 1877.

IV. Second Lieut. R. C. Van Vliet, Tenth Infantry, with a detail of thirty enlisted men, Company F, Eighth Cavalry, five led horses, and thirteen pack-mules, fully armed and equipped for field service, under existing orders, each man provided with one hundred rounds of carbine-ammunition, and rations for forty-five days, will report at these headquarters on the morning of the 12th instant.

V. Second Lieut. H. H. Landon, Twenty-fifth Infantry, with a detail of fifteen enlisted men, Company M, Tenth Cavalry, three led horses, and seven pack-mules, fully armed and equipped for field service, under existing orders, each man provided with one hundred rounds of carbine-ammunition, and rations for forty-five days, will report to these headquarters on the morning of the 12th instant.

VI. The first sergeant and fourteen men Company C, Tenth Infantry, fully armed and equipped for field service, will report on the morning of the 12th instant at these headquarters for escort duty as far as the falls, Pecos River, thence to Fort Concho, and to return with forage; the detail will be rationed for twenty-five days.

VII. The quartermaster's department will cause thirteen wagon-teamsters to be rationed, to include the 15th day of October, and animals foraged for twenty-five days, in charge of Crevanstein, to report at these headquarters on the morning of the 12th instant; also one escort-wagon, with six mules, and provided with four ten-gallon water-kegs; teamster to have forty-five days' rations.

By order of Lieut. Col. W. R. Shafter.

HELENUS DODT,
First Lieutenant and Adjutant Twenty-fourth Infantry,
Post-Adjutant.

Official:

HUGH G. BROWN,
Aid-de-Camp.

HEADQUARTERS DISTRICT OF THE NUECES,
Fort Clark, Texas, September 12, 1877.

SIR: The district commander directs that you will proceed on the 13th instant with your company on scout down the Rio Grande as far as Palafox, following generally the river below Fort Duncan.

It is not at all necessary that you make long marches, or that you go every day. It is preferable that you camp for two or three days at a time, whenever you happen to strike green grass. After you get to Pequathe, thirty-five miles below Fort Duncan, you will observe if any parties of armed Mexicans are on this side the river, and if you find camps, make them give a satisfactory account of themselves, or arrest them.

Another object of your scout, is, to have your company near where Indians have twice recently crossed stolen horses into Mexico, and as they were entirely quiet last moon, it is probable they may be over during the coming one. Should you get after them, do not hesitate to cross in pursuit, and follow as fast and as far as you can, without getting into any of the large towns of the interior, sending word of your cross-

ing at the same time to these headquarters. You will get from Major Schofield a guide who knows the country on both sides of the river.

You will also select a site for a company of cavalry to have a temporary camp, either on or within a few miles of the river, and from forty-five to sixty-five miles below Duncan.

Start from Duncan with thirty days' rations, and use the whole time in making the scout; and if you desire you can remain out ten or fifteen days longer.

I am, sir, very respectfully, your obedient servant,
HELENUS DODT,
Acting Assistant Adjutant-General.

Capt. W. B. KENNEDY, *Tenth Cavalry,*
Camp Tenth Cavalry, on Pinto, Texas.

Official:
HELENUS DODT,
Acting Assistant Adjutant-General.

Official:
HUGH G. BROWN,

HEADQUARTERS DISTRICT OF THE NUECES,
Fort Clark, Texas, September 12, 1877.

SIR: The district commander directs that you will proceed to-day with the detachments of the Eighth Cavalry under Lieutenant Van Vliet, Tenth Cavalry, under Lieutenant Landon, the Tenth Infantry, Sergeant and Dr. Baggett, to the falls of the Pecos, forty miles above Horsehead crossing of the Pecos.

At that point you will send your train, with the infantry escort, to Fort Concho, and start on a scout to the lower part of the Staked Plains, going first to south end of White Sand Hills, then to the upper end, and from there either by Colonel Shafter's trail via Shafter's Lake to Monument Spring, or by the Three Wells, as you prefer. From Monument Spring the district commander wishes you to go to Ward's Wells and Sabinas; from there send half your party to the Five Wells, or, if you think best, you can send them by Colonel Shafter's last trail from Ward's Wells, and go yourself to Sabinas, and have the party join you there from Five Wells. Then go to Quates, and if you have time you can go out with part of your men on Nolan's trail toward Quemado, leaving it at the nearest point and going there for water.

If you have not the time to spare to do this, start on your return, coming into head of Concho from Quates in two parties, one returning to Sabinas; thence to Five Wells and Mustang Springs to head of Concho; the other party by Tobino Creek, Sulphur Spring, and by Big Spring to same place.

There join your detachments and return to this post via Concho and McKavett.

These instructions are given you in case you do not find Indians or fresh trails; in that case you will be expected to use your own judgment what to do.

In the event of meeting Indians with passes from Fort Sill, unless they are accompanied by soldiers, you will capture them and hold them until you start on your return; you can then bring them in or turn them loose, as appears to you best.

You are rationed so that you will have thirty days' rations to start

with from the falls of the Pecos. Do not have your mules packed with anything but saddles and panniers until you reach that point, so as to have them fresh for the scout.

I am, sir, very respectfully, your obedient servant,

HELENUS DODT,

Acting Assistant Adjutant-General.

Lieut. T. W. JONES,

Tenth Cavalry, Fort Clark, Texas.

Official:

HELENUS DODT,

Acting Assistant Adjutant-General.

Official:

HUGH G. BROWN,

Aide-de-Camp.

HEADQUARTERS DISTRICT OF THE NUECES,

Fort Clark, Texas, September 13, 1877.

SIR: The district commander directs that you will proceed with your company and detachment Tenth Infantry, under Lieutenant Davis, to Colonel Shafter's supply-camp of last year, on the Pecos.

There leave the infantry to guard your supplies, and with your company start on scout up the Rio Grande toward San Carlos, Mexico, and south of Fort Davis.

Lieutenant Bullis, who was recently scouting the same country, saw several trails of small parties passing through. You are liable to find little parties, and possibly temporary camps of Indians, anywhere in the Big Bend of the Rio Grande. Follow trails across the river if the trails cross. The guide, Hossu, knows the country on both sides of the river.

Lieutenant Bullis will be at the Sierra Corina on the look-out for any party of Indians that you may drive in that direction.

Indians are reported on the plains, and one or two scouts are after them; if they are found they are likely to take the same course as those did in '75, that were followed by Geddes from Laguna Sabinas, to the Rio Grande. Should you strike any trail coming from the direction of the plains, follow it as fast as you can, as by the time you strike it the Indians' stock will be tired, and they will not go very far across the river before laying up to rest.

With the four mules you are to get at San Felipe, you will be able to take thirty days' rations from the Pecos.

Send the wagons back at once with a small guard. They will be caused to meet you at the Pecos on your return, with forage.

I am, sir, very respectfully, your obedient servant,

HELENUS DODT,

Acting Assistant Adjutant-General.

Captain LEBOS,

Tenth Cavalry, Camp Tenth Cavalry, on Pinto, Texas.

Official:

HUGH G. BROWN,

Aide-de-Camp.

[First indorsement.]

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., September 18, 1877.

Respectfully forwarded to the assistant adjutant-general Military Division of the Missouri, for information of proper authorities.

E. O. C. ORD,
Brigadier-General, U. S. A., Commanding.

[Second indorsement.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, September 24, 1877.

Respectfully forwarded to the Adjutant-General of the Army.

P. H. SHERIDAN,
Lieutenant-General, Commanding.

[Third indorsement.]

ADJUTANT-GENERAL'S OFFICE,
Washington, September 29, 1877.

Respectfully submitted to the Secretary of War, with copy for the Department of State.

E. D. TOWNSEND,
*Adjutant-General.*WAR DEPARTMENT,
Washington City, October 2, 1877.

SIR: I have the honor to transmit for your information copies of instructions issued from headquarters district of Nueces, to Captains Kennedy and Lebo and Lieutenant Jones, Tenth Cavalry, directing these officers to proceed on a scout, and, although they are directed to cross into Mexico, they understand that should any Mexican troops be found on the Mexican side, the instructions for "co-operation" will apply to them, and the pursuit will be left to them.

Very respectfully, your obedient servant,

GEO. W. McCRARY,
Secretary of War.

Hon. SECRETARY OF STATE.

HEADQUARTERS DISTRICT OF RIO GRANDE,
Fort Brown, Texas, September 7, 1877.

SIR: Inclosed I send to the commanding general a communication from General Benavides to Judge Russell, extradition agent of the United States, handed me by General Benavides.

I am told the local authorities under the lead of General Canales are interposing every obstacle in the way of carrying out the extradition treaty. The animus of the affair is that Canales is governor of Tamaulipas, and does not want to be the agent for delivering up criminals who have taken refuge on Mexican soil, on account of his fear of affecting his political popularity. He is under the influence of the manipulations of elections and public sentiment; these latter control the ignorant Mexicans through their prejudices, the strongest of which is the hatred of citizens of Texas; under this influence the local authorities are afraid

to do anything that looks like taking the part of the Texas citizen against Mexican.

The Government of Mexico, seeing this, wish to place the power on this border in the hands of men more in sympathy with the government and not influenced by local prejudices.

General Benavides reports to me that fifteen hundred men under trusty officers are already *en route* to Matamoras, and that the authorities here will be superseded and the laws and orders of the government enforced.

This is the only way there can be any order on this frontier, by each side trying to enforce the laws. Whether the government will be strong enough to control this distant and isolated section is to be seen.

General Benavides goes on the steamer to-morrow for New Orleans and Washington, sending his dispatches to Mexico from New Orleans, as he is not certain they would reach the city of Mexico by the interior route.

The sympathizers with the Lerdo faction are opposing the rendition of the criminals, as they think that should the Diaz government show energy in the cause of law and order the United States would recognize the Diaz government.

General Canales' secretary is reported to be a Lerdo sympathizer.

Very respectfully, your obedient servant,

N. B. SWEITZER,

Lieutenant-Colonel Eighth Cavalry, Commanding District.

ASSISTANT ADJUTANT-GENERAL,

Department of Texas.

INSPECTOR GENERAL, MATAMORAS, MEXICO, *September 5, 1877.*

Hon. JOHN O. RUSSELL, &c., &c., &c., *Brownsville, Tex.:*

I have duly received your communication, dated 3d instant. I could not reply to it sooner, as I now have the honor to do, because on its receipt I was expecting from my government telegrams informing me of its decision in the pending case of extradition which you submit to me and argue about in your said communication.

I have had the honor of stating to you on a former occasion that my authority as an inspector of the Mexican frontier was of a purely military character, and, therefore, I could not use it in an affair which by right appertains to other authorities.

However, a sense of justice, a proper regard for the good name of my government and the harmony that I have been the first to endeavor to maintain between the authorities of both sides of the frontier, prompted me to take at once, as I did, a very active part in the affair for the purpose that the criminals should be prosecuted, and also to render the authorities all the means within my reach, in order to aid their action, which I have insisted from the first day should be as speedy and energetic as the case requires.

Since the perpetration of the act that has brought about the annoying and contested case of extradition, I have been in almost constant communication with my government; but frequently the telegraph line has been down, and therefore the transmission of telegrams from each side has not been as rapid as desired. At last I have received information of the government's resolution. My government, fully using the authority with which it is vested, in view also of the particulars with which

it has been furnished, and setting aside the proceedings of the Matamoras authorities, resolved, on 29th ultimo, that the three criminals at present in the jail of said city should be surrendered to the United States authority claiming them, and that of the execution of the order to that effect it should be duly advised.

The order was communicated to General Canales, and received by him on the 31st ultimo; but he has since insisted that only the competent judge, "Juez de primera instancia," can understand in the case, and therefore the order has not been fulfilled.

My government is informed now of the unexpected turn the affair has taken. While this feature is very painful, because it will delay the solution of the case, it is satisfactory to know that my government will sustain its resolution and carry it out, using for that purpose the ample resources at its command, thus proving once more the excellent spirit with which it has decided to fulfill its duties as a neighboring nation, and cultivate the friendly relations which ought never to have been disturbed between two nations that should always esteem each other.

I avail of this new occasion to tender you again my sincere regards, and remain, sir, your obedient servant,

General R. BENAVIDES,
Mexican Army.

[First indorsement.]

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., September 15, 1877.

A true copy, respectfully forwarded to the assistant adjutant-general Military Division of the Missouri, for the information of the Lieutenant-General commanding.

E. O. C. ORD,
Brigadier-General Commanding.

[Second indorsement.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, September 22, 1877.

Respectfully forwarded to the Adjutant-General of the Army.

P. H. SHERIDAN,
Lieutenant-General Commanding.

[Third indorsement.]

ADJUTANT-GENERAL'S OFFICE,
Washington, September 26, 1877.

Respectfully submitted to the Secretary of War, with copy for the Department of State.

E. D. TOWNSEND,
Adjutant-General.

WAR DEPARTMENT,
Washington City, October 2, 1877.

SIR: I have the honor to transmit for your information a copy of a communication from Lieut. Col. N. B. Sweitzer, Eighth Cavalry, inclosing therein one from General Benavides to Judge Russell, relative to the extradition of certain criminals.

Very respectfully, your obedient servant,

GEO. W. MCCRARY,
Secretary of War.

Hon. SECRETARY OF STATE.

[Telegram.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, Ill., October 2, 1877.

General E. D. TOWNSEND,
Washington, D. C.:

The following telegram from General Ord received last night:

"Lieutenant Bullis crossed after Indians near mouth of Devil's River on 26th, expecting to have to pursue to their camp, twenty miles north of Sarragosa. Colonel Shafter crossed on 28th or 29th to support Bullis in case he might be encumbered with wounded, or need support. No news from either. Telegrams of disaster sensational."

My reports delayed by necessary absence at Austin.

P. H. SHERIDAN,
Lieutenant-General.

[Indorsement.]

ADJUTANT-GENERAL'S OFFICE,
Washington, October 3, 1877.

Respectfully submitted to the Secretary of War, with copy for the Department of State.

E. D. TOWNSEND,
Adjutant-General.

WAR DEPARTMENT,
Washington City, October 4, 1877.

SIR: I have the honor to transmit for your information a copy of a telegram from General Ord reporting that Lieutenant Bullis crossed the Rio Grande on the 26th ultimo, expecting to have to pursue Indians to their camp. Also, report that Colonel Shafter crossed on the 28th ultimo, with a view of supporting Lieutenant Bullis in case of needed support.

Very respectfully, your obedient servant,

GEO. W. McCORARY,
Secretary of War.

Hon. SECRETARY OF STATE.

[Telegram.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, Ill., October 3, 1877.

General E. D. TOWNSEND,
Washington, D. C.:

The following dispatch has just been received from General Ord:

"Received last night report, via Clark, from Shafter, at crossing of Bravo, that after Bullis crossed he pushed for the Lipan camp direct, which an Indian trader promised to show him, but trader failed him and he hunted for it himself. Found it five miles from Saragossa, just being abandoned by Indians who had been warned of his coming. He destroyed property, captured four squaws, one boy, twelve horses, and two mules, mostly recognized as stolen from Texas. Returned to head of San Diego River, thence back, unmolested by Mexican troops, party of which, about seventy-five strong, followed to near crossing. Dispatch received from Schofield at Duncan to-day says Falcon's orders to his troops were not to attack United States troops, but to show them

the way and see them across the river. Troops (Mexican) started from Piedras Negras, but were recalled.

“ORD.”

P. H. SHERIDAN,
Lieutenant-General.

PRESIDIO, September 16, 1877.

DEAR BULLIS, *Fort Clark*: Yours of September 1 came to hand last night. The Mescaleros are around and about San Carlos and this side, near Serra Rica. About a month ago ten or twelve families of the Lipans came to San Carlos. The first of this month came a Comanche Indian to this place to treat for peace for seven or eight families that he said would be on the Rio Grande shortly in front of San Carlos. I am told by the Mexicans that he offered to bring all the Comanches from the reserve and join the Mexicans in war against the United States. There is some truth in this report, but I can't get at the exact facts of the case. I know there passed some communication from the jefe politico of this villa to the governor about this Comanche's proposition. The Lipans that came up a month ago are undoubtedly the same ones that you followed in last July.

There is a good many Indians in and about San Carlos. I see here every few days gangs of strange Indians that never visited the place. The Tejano was killed (so it is said) by some of the San Carlos people. This happened some time in April. It seems that Tejano and one Manuel stole some stock and were followed by five of the San Carlos Mexicans. They came upon the two Indians and fought all one morning. One of the Mexicans was killed and the other four wounded, and a kind of a draw-fight was the result. They say that the Tejano was killed, but as his “scalp” wasn't brought in and paraded, and the bounty claimed from the government, I conclude that I don't know whether he was killed or not.

I was in Chihuahua last week; there arrived from Durango about sixty families of Kickapoos, and were camped outside of the city; they are in destitute condition. I learned yesterday that a few of them had come to look at Bosque Bonito to locate. If they come to that place there will be continued trouble up about old Fort Quitman and Eagle Springs.

The Bosque Bonito lays back of Eagle Mountain, on the Mexico side of the Rio Grande, about one hundred miles north of this place. At present things look as if all the Rio Grande Indians are concentrating on this State's (Chihuahua) frontier; whether they will depredate to the other side is to be seen.

It is said that about three hundred of the Gelenians (or Gela Indians) from Arizona have crossed into the northern part of this State, and are making a clean sweep of Mexican stock in the vicinity of El Valle de San Buenventura and Galliana; upward of a hundred Mexicans fought them and were defeated, losing eighteen killed in one action. While I was in Chihuahua the 15th instant, the governor started some regular cavalry to join the ranchmen against the Indians. Since then I have heard nothing from them.

There is no use talking about these Indians in this vicinity going on to a United States reserve; they won't go unless driven, and unless the United States keeps a sharp lookout, the Comanche reserve Indians will be to this side. The Comanche that came here the other day undoubt-

edly has been sent by the discontented bands on the Stake Plains ; and if they can make any terms of peace with the Mexican authorities or the Indians, more will soon be this side of the Rio Grande.

Excuse so long a letter, and please don't let it be publicly known that I write about Indians of this land of "Liberdad y Dooses."

Yours, truly,

MOSES E. KELLEY.

[First indorsement.]

HEADQUARTERS DEPARTMENT OF TEXAS,
San Antonio, Tex., October —, 1877.

A true copy, respectfully forwarded to the assistant adjutant-general Military Division of the Missouri, for the information of the Lieutenant-General commanding. This is important.

E. O. C. ORD,
Brigadier-General, Commanding.

[Second indorsement.]

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,
Chicago, October 16, 1877.

Respectfully forwarded to the Adjutant-General of the Army.

P. H. SHERIDAN,
Lieutenant-General, Commanding.

[Third indorsement.]

ADJUTANT-GENERAL'S OFFICE,
Washington, October 20, 1877.

Respectfully submitted to the Secretary of War, with copies for the Departments of State and Interior.

E. D. TOWNSEND,
Adjutant-General.

WAR DEPARTMENT,
Washington City, October 24, 1877.

SIR: I have the honor to transmit for your information copy of a letter of Moses E. Kelley in reply to one from Lieutenant Bullis, concerning the Indians in the vicinity of El Presidio and in Mexico.

Very respectfully, your obedient servant,

GEO. W. McCRARY,
Secretary of War.

HON. SECRETARY OF STATE.

Similar letter addressed to the honorable Secretary of the Interior.

HEADQUARTERS POST OF FORT DUNCAN, TEXAS,
August 20, 1877.

SIR: I have the honor to make the following report of a scout made from this post by First Lieut. L. H. Orleman, Tenth Cavalry, with twenty men of B Company, Tenth Cavalry, from which he has just returned.

Having received information that Kickapoo Indians had stolen a number of horses on the night of the 13th instant, from the ranch of one Juan Reyes, on the Rio Grande, about sixty miles below this post, I immediately communicated it to General Falcon, of the Mexican army, then at Piedras Negras.

He at once ordered a force, under Major Zertuchi, to be gotten ready for field service, and said he would start it by 8 o'clock the next morning for the point where the stolen horses had been driven across the river into Mexico, and asked if I would send an officer and detachment from this post down the river on the American side to co-operate with his force, so far as getting the right trail, the assistance of the owner of the lost stock, and all information obtainable were concerned. Pursuant to this, the detachment before mentioned left the post at 8.30 a. m. on the 16th. At about 11.30 a communication from General Falcon (copy previously furnished) was handed me, in which he states that Major Zertuchi's detachment would start at 10 o'clock instead of 8, as agreed upon the evening before, and asking that the officer sent by me might be instructed to assist Major Zertuchi should the latter need assistance, and in a verbal message stating that his force would not be large enough to attack the Indians alone.

Major Zertuchi really started at about 10.30 a. m. I at once dispatched a courier to overtake Lieutenant Orleman with instructions as to additional rations should he pursue into Mexico, informing him of the late departure of Falcon's troops, and directing him to spare no effort to form a junction with them, or in the pursuit, should they find and take the trail.

Lieutenant Orleman reports in substance as follows:

Major Zertuchi arrived opposite Reyes's ranche at 9 a. m. of the 18th, crossed over and talked with him; said I had twenty men and was ready to proceed with him on the trail. He replied that he did not see the necessity for any assistance, but that should such necessity arise he would call on me. He said also that he would examine the trail, converse with persons who had seen some of the Indians, and then come over to this side and consult further with me, which he did at 2 o'clock p. m.

He had then decided to start at daylight the next morning, taking with him Juan Reyes, owner of stolen horses, and proceed to Guadalupe, to lay the case before General Falcon, who was then at his ranche near that place, saying that the general had troops enough, and would send them to capture the Indian camps and force them to give up the thieves and the stolen horses. Major Zertuchi expressed the belief that General Falcon would act at once and with all the force necessary.

Mr. Burbank, inspector of customs, informed Lieutenant Orleman that he saw at New Laredo, during the last week of July, eight Indians who had passes signed by General Treviño, and that he understood there were several more there.

Mr. Reyes says that Indians had been encamped for a number of days at a point about one and a half miles below his ranche on the Mexican side, and that they were there up to the day on which his horses were stolen.

Lieutenant Orleman states that at his second interview with Major Zertuchi, he repeated his offer to join and assist him in pursuing the Indians, and that the offer was again declined on the ground that General Falcon had four hundred men at Zaragoza, and that was sufficient force, in his opinion, for all purposes.

The owner of the horses, Juan Reyes, who was to go with Major Zer-

tuchi, was cautioned to observe closely the action of the Mexican authorities, and if he found that they were not exerting themselves to recover his stock and to secure the thieves, to report the fact immediately on his return to the commanding officer at Fort Duncan.

From the foregoing it will be seen that this our third effort, recently made to secure a joint pursuit of Indians and Mexicans with stolen stock in their possession, and who were running this stock away into the mountains of Mexico, has failed.

In my opinion, any similar efforts that may be made in the future will likewise fail, as I do not believe the Mexican authorities will consent to our troops crossing over to join in such pursuit, or if they do consent, will thwart the enterprise in some way, as they have done up to the present time.

I am, sir, very respectfully, your obedient servant,

G. W. SCHOFIELD,

Major Tenth Cavalry, Commanding Post.

ACTING ASSISTANT ADJUTANT-GENERAL,

District of the Nueces, Fort Clark, Texas.

HEADQUARTERS DISTRICT OF NUECES,

Fort Clark, August 23, 1877.

Respectfully forwarded to headquarters Department of Texas. I fully concur in the views as expressed by the commanding officer Fort Duncan, Texas, in the within communication.

W. R. SHAFTER,

Lieut. Col. Twenty-fourth Infantry, Commanding.

HEADQUARTERS DEPARTMENT OF TEXAS,

San Antonio, Tex., August 28, 1877.

Official copy respectfully forwarded to the Adjutant-General of the Army, through headquarters Military Division of the Missouri.

E. O. C. ORD,

Brigadier-General U. S. A., Commanding.

HEADQUARTERS MILITARY DIVISION OF THE MISSOURI,

Chicago, October 30, 1877.

Respectfully forwarded to the Adjutant-General of the Army.

P. H. SHERIDAN,

Lieutenant-General, Commanding.

C

GOLD COIN AND GOLD BULLION NOW IN THE TREASURY.

L E T T E R

FROM

THE SECRETARY OF THE TREASURY,

IN ANSWER TO

A resolution of the House of Representatives, in reference to the amount of gold coin and gold bullion now in the Treasury.

NOVEMBER 15, 1877.—Referred to the Committee on Banking and Currency and ordered to be printed.

TREASURY DEPARTMENT,
November 15, 1877.

SIR: I have the honor to acknowledge the receipt of House resolution of the 6th instant, as follows:

Resolved, That the Secretary of the Treasury be, and he is hereby, respectfully directed to report to this House within ten days from the passage of this resolution, the exact amount in detail of actual gold coin and gold bullion now in the Treasury; the kind and amount in detail of all outstanding obligations payable on demand in gold; the kind, character, and amount in detail, of all items counted as coin in the Treasury as published in the public-debt statement for November 1, 1877, with the actual gold owned by the government available for the resumption of specie payments, after deducting all such demand obligations, together with the accrued interest on the public debt up to and including the date on which such report is made to this House.

And, in reply, to transmit herewith copy of letter from the Treasurer of the United States, (to whom the resolution had been referred for report,) dated the 14th instant, and its accompanying statement.

Very respectfully,

JOHN SHERMAN,
Secretary.

Hon. SAMUEL J. RANDALL,
Speaker House of Representatives.

TREASURY OF THE UNITED STATES,
Washington, November 14, 1877.

SIR: I have the honor to inclose two statements in response to a resolution of the House of Representatives of the 6th instant, referred by you to this office, for report, on the 8th instant.

First.—Statement of the amount of actual coin and bullion in the Treasury at the close of business on the 31st of October, 1877, the date at which the last debt-statement balance was struck.

Second.—Statement of the actual gold coin and (estimated) gold bullion held by the government at the close of business October 31, 1877, after deducting demand coin-obligations and the accrued interest on the public debt.

In the first statement, silver coin and bullion are included, because the coin balance of the Treasury is made up of silver and gold, because the coin and bullion in the bullion fund, which is a part of that balance, cannot be given in detail with accuracy except at the annual mint settlement, which takes place in July, and because the bullion containing gold and silver is unparted.

In the second statement, the accruing interest is not charged against the gold coin in the Treasury, for the reason that, not being due, it is not a demand obligation, but will be met as it becomes payable from time to time by coin receipts of the government.

The two statements are made as of the 31st ultimo, because it is the date upon which the last debt-statement balances were struck, and the latest most convenient date for the consolidation of the returns received from the various assistant treasurers.

Very respectfully,

JAS. GILFILLAN,
Treasurer United States.

Hon. JOHN SHERMAN,
Secretary of the Treasury.

Statement of the amount of actual coin and bullion in the Treasury at the close of business on the 31st of October, 1877, the date at which the last debt-statement balance was struck.

ASSETS.			
Gold coin in the Treasury, subtreasuries, and mints			\$101,486,964 49
Gold bars in the Treasury, subtreasuries, and mints			3,586,692 25
Gold bullion (estimated) in mints			3,700,000 00
Silver bullion (estimated) in mints			5,998,387 34
Silver coin in the Treasury, subtreasuries, and mints			2,479,137 40
Total coin and bullion in the Treasury			117,251,181 48
On hand, counted as coin:			
Fractional currency redeemed in silver		\$49,625 20	
Coin certificates in Treasury offices	17,436,430 00		
Coin-interest coupons and checks paid	370,696 69		
Notes of national gold banks reducing circulation	1,720 00		
Memorandum of May and Whitaker, deficit, New Orleans, 1867	6,703 36		
			17,865,165 25
Silver coin, coin certificates, fractional currency redeemed, and other obligations paid—in transit from one office to another or to the Treasury—not received by offices to which forwarded			449,233 82
Total			135,565,580 55
LIABILITIES.			
Coin balance, Treasurer's general account, as per October debt statement	131,022,843 94		
Due for specific purposes not included in the debt statement, as follows, viz:			
Comptroller of the Currency	\$53,175 38		
Redemption of gold notes of national banks	1,720 00		
Payment of interest on public debt	435,786 25		
Disbursing officers	533,236 70		
Late treasurer assay-office	8 78		
Secretary of Treasury, special account No. 3	25 25		
Outstanding silver checks of Treasurer of the United States	14,092 02		
Outstanding gold checks of Treasurer of the United States	1,710,195 82		
Outstanding gold drafts of Treasurer of the United States	61,445 06		
		3,109,685 26	
Gold coin, silver coin, and coin items received at certain offices, but not charged out of account of offices making remittance		1,433,051 35	
Total			135,565,580 55

Statement of the actual gold coin and (estimated) gold bullion held by the Government at the close of business October 31, 1877, after deducting all demand coin-obligations and the accrued interest on the public debt.

Gold and silver coin and bullion on hand, as above		\$117,251,181 48
Less difference between balance of remittance	\$1,433,051 35	
And balance of transit, as above	449,233 82	
		983,817 53
Actual amount of coin and bullion on hand		116,267,363 95
Debt contracted prior to 1861, matured and interest thereon unpaid	268,339 92	
Called bonds—matured in 1871, and subsequently, and interest thereon unpaid	27,194,011 87	
Interest due and unpaid	3,674,960 74	
Coin certificates outstanding	\$33,543,200 00	
Less amount held in coin items as above	17,436,420 00	
	16,106,780 00	
Disbursing officer's accounts, checks outstanding, &c	3,109,685 26	
		50,353,777 79
Of which is silver coin and (estimated) silver bullion		65,913,586 16
		8,477,514 74
Net gold coin, bars, and (estimated) bullion, gold		57,436,071 42

THE VIRGINIUS INDEMNITY.

MESSAGE

FROM THE

PRESIDENT OF THE UNITED STATES,

IN ANSWER TO

A resolution of the House of Representatives, transmitting a report from the Secretary of State in reference to the "Virginus indemnity."

NOVEMBER 16, 1877.—Referred to the Committee on Foreign Affairs and ordered to be printed.

To the House of Representatives :

I transmit to the House of Representatives, in answer to its resolution of the 12th instant, a report from the Secretary of State.

R. B. HAYES.

WASHINGTON, D. C., November 15, 1877.

DEPARTMENT OF STATE,
Washington, November 14, 1877.

The Secretary of State, to whom was referred the resolution of the House of Representatives of the 12th instant, requesting him "to inform the House, if not incompatible with the public interests, what amount of indemnity has been paid to this government by the Government of Spain on account of the execution of General Ryan and others at Santiago de Cuba, November 4, 1873, and what disposition has been made of such funds as may have been received," has the honor to report to the President that the amount of indemnity paid by the Government of Spain on that account was \$80,000 Spanish dollars, yielding, less exchange, the sum of \$77,797.44 in coin; that claims thereon have been settled and paid to the amount of \$38,202; that a claim for \$2,500 has been settled, but is not yet paid; and that the unexpended balance of the Virginus indemnity is invested in 5 per cent. registered bonds of the United States. The Secretary of State has also to state that, as the heirs of General Ryan failed to prove that he was a citizen of the United States, nothing has been paid to them from said indemnity funds.

Respectfully submitted.

WM. M. EVARTS.

To the PRESIDENT.

OBSTRUCTIONS IN RED RIVER.

L E T T E R

FROM

T H E S E C R E T A R Y O F W A R ,

TRANSMITTING

Report of Chief of Engineers United States Army in reference to obstructions in Red River.

NOVEMBER 17, 1877.—Referred to the Committee on Commerce and ordered to be printed.

WAR DEPARTMENT,
Washington City, November 16, 1877.

SIR: I have the honor to transmit herewith, for the information and action of the Committee on Commerce of the House of Representatives, a report of the Chief of Engineers United States Army relative to obstructions in Red River above Shreveport, with a copy of a report by Capt. W. H. H. Benyaud, Corps of Engineers, and of telegrams from the president of the New Orleans Cotton Exchange, and others, on this subject.

Very respectfully, your obedient servant,

GEO. W. MCCRARY,
Secretary of War.

To the SPEAKER of the House of Representatives.

OFFICE OF THE CHIEF OF ENGINEERS,
Washington, D. C., November 14, 1877.

SIR: In obedience to the instructions contained in your indorsement of the 9th instant returning the telegram of W. C. Black, president of the Cotton Exchange of New Orleans, and others, relative to the blockade of the Red River above Shreveport, I beg leave to state that Capt. W. H. H. Benyaud, the officer in charge, was directed to take immediate steps for the removal of the existing obstruction, and to submit a report and estimate of the amount that will be required to provide for removal of other obstructions that will probably occur during high water in the river, &c. His report has just been received, and a copy is herewith submitted.

It will be seen that he estimates the amount necessary to work the steamer and crane-boat for 7 months at \$8,400; amount necessary to work her occasionally, as necessity may require, at \$4,200; and amount required for taking care of the valuable property belonging to the United States for the same period or during the remainder of the fiscal year, \$2,100.

In view of the importance of the interests involved and of the necessity for being fully prepared to remove the obstructions as they occur, it is respectfully suggested that the matter be submitted to the Speaker of the House of Representatives, in order that the Committee on Commerce may be advised of the condition of affairs, and make such provision by appropriation of funds as in its judgment may be required.

It is perhaps proper to state in this connection that the application of the available funds to the removal of the existing obstruction leaves nothing for the care of the valuable property of the United States during the remainder of the current fiscal year.

Copies of telegrams from W. C. Black and others, and William Robson and others are transmitted herewith.

By direction of Brigadier-General Humphreys, and in his absence.

Very respectfully, your obedient servant,

JOHN G. PARKE,
Major of Engineers.

Hon GEO. W. McCREARY,
Secretary of War.

UNITED STATES ENGINEER'S OFFICE,
Memphis, Tenn., November 10, 1877.

GENERAL: In accordance with your telegram of this date I beg to submit the following in regard to the funds required to prevent the occurrence of jams in Red River, Louisiana, and also for the care and protection of the steamers and other property until close of fiscal year.

The season is now upon us when we may look for high water in Red River and its tributaries, and consequently for frequent blockades of the river on account of the vast quantities of drift-wood brought down from the upper river. In some seasons it is necessary to keep a boat patrolling the river, through that portion known as the "raft region," during the entire period of high water, while at other seasons the boat is used only to break occasional jams. The high water of this year has come upon us somewhat earlier than usual, standing to-day at Shreveport only about five feet below extreme high-water mark. From this time until spring or early summer I think we will have a good stage of water, alternately rising and falling, each rise bringing its quota of logs, drift, &c., from the upper river. We may, therefore, look for the constant recurrence of jams, obstructing, if not broken up, the navigation of Red River above Shreveport. A telegram from this latter place to-day informs me of a steamer being above the jam which you have just ordered me to remove.

Since the length of the period of high water is very uncertain, and also the amount of drift that will run, causing the formation of jams, it is difficult to estimate precisely the amount of money required.

If the steamer Florence, with one crane-boat, be employed during the entire period, the expenses will be per month \$1,200, and for seven months \$8,400. It may, however, not be necessary to keep the boats in commission the whole time, but only take them out upon information that the river is jammed or that there is a likelihood of its being so.

At all other times the boats can be laid up, the crew, &c., discharged, retaining only the captain and watchmen. I can then have the bridge-tender at Fulton, on the upper river, give notice to those at Shreveport, by telegraph, of the passage of drift, and we can thus make preparations for the necessary operations. Under these circumstances I deem that I could go through the season, taking out the boats only when absolutely necessary, with about one-half the above sum, or \$4,200. With these funds I also take care of the steamers and other property, for I am compelled, anyhow, to keep a small force for that purpose.

For taking care of the property alone, which consists of two steamers, crane-boat, flats, &c., I submit the following:

1 captain, per month	\$150
1 day and 2 night watchmen, at \$40 per month each	120
Oil, lights, and repairs	30
Total for 1 month	300
Total for 7 months	2,100

I keep the captain because circumstances might occur that the fleet might be called into commission at any time.

With the funds that I reported as being on hand, viz, \$800, it would have been impossible to keep him. My intention was to have discharged him for the season, and retaining only the watchmen, and giving up all idea of having the boats brought out for work until funds were appropriated for that purpose. My estimate generally for the year, for removing jams, is from \$10,000 to \$12,000, including taking care of property.

After removing the jam which your telegram directed me to do, I estimate that I will have \$200 remaining, to take care of the property pertaining to the work, and which has cost the government thousands of dollars.

You will therefore see how absolutely necessary it is to have funds for the purpose.

RECAPITULATION OF ESTIMATES.

Steamer Florence and crane-boat, 7 months	\$8,400
Steamer Florence, occasionally	4,200
Taking care of property, 7 months	2,100

Very respectfully, your obedient servant,

W. H. H. BENYAURD,
Captain of Engineers.

Brig. Gen. A. A. HUMPHREYS,
Chief of Engineers U. S. A., Washington, D. C.

[Copy of telegram.]

NEW ORLEANS, November 5, 1877.

To Hon. E. JOHN ELLIS and R. L. GIBSON,
United States House of Representatives, Washington, D. C.:

Raft formed above Shreveport, in Red River; complete blockade to navigation. This city largely interested in its immediate removal. Please urge Secretary of War to prompt action.

W. C. BLACK,
President Cotton Exchange.

JAS. A. AIKEN,
President New Orleans and Red River Transportation Company.

A. SINNOTT.
M. W. JOYCE.

[Copy of telegram.]

SHREVEPORT, LA., November 5, 1877.

To Hon. J. B. ELAM, *Washington, D. C.* :

Heavy rafts now obstruct the river above Shreveport, greatly impeding the navigation, and consequently the commercial interests of this section. Major Benyard has no means with which to effect its removal. We ask you to join Messrs. Gibson and Ellis in urging the honorable Secretary of War to immediately order its removal.

WM. ROBSON.

N. GREGG,

President Cotton Exchange.

GREGG & FARD.

J. M. HALLINGSWORTH.

R. H. LINDSAY,

Vice-President Cotton Exchange.

J. H. JARDAN,

Agent New Orleans and Red River Transportation Company.

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THE NEGOTIATION OF THE FOUR PER CENT. BONDS.

LETTER

FROM

THE SECRETARY OF THE TREASURY,

IN RESPONSE TO

A resolution of the House of Representatives concerning the negotiation of the four per centum bonds of the United States.

NOVEMBER 20, 1877.—Referred to the Committee of Ways and Means and ordered to be printed.

TREASURY DEPARTMENT,
November 19, 1877.

SIR: I am in receipt of resolution introduced by Mr. Wood, of the Committee of Ways and Means, as follows:

"That the Secretary of the Treasury be, and he is hereby, requested to furnish the House of Representatives, at the earliest practicable moment, copies of the contract made with a certain syndicate of American and foreign bankers for the negotiation of the four per centum bonds of the United States, together with copies of all other papers relating thereto; and also with a statement as to the present condition of such negotiation, and whether it remains in force as originally made, without modification or change."

In compliance with this request, I have the honor to inclose herewith copies of the contract referred to, and other papers which have a definite bearing upon the subject. Before this contract was entered into, I met the contracting parties both in New York and Washington, and discussed at some length the feasibility of placing the four per cent. loan upon the market, and, on the 9th of June, 1877, perfected arrangements for that purpose by executing said contract.

During the thirty days which were set apart by mutual consent for the reception of popular subscriptions, the amount of \$6,073,250 was sold by the Treasurer and Assistant Treasurer of the United States, and subscriptions to the amount of \$69,423,300 were procured through the efforts of the contracting parties.

The business of refunding progressed satisfactorily, and arrangements had been perfected for the continuance of the sale of four per cent. bonds, and a call was about to be made, when fears of the effect of the proposed legislation by Congress remonetizing silver, arrested for the time the sale of such bonds and caused a temporary postponement.

Below is a statement of the present condition of the four per cent. loan, and I would add that the contract remains in force as originally made, without modification or change.

Condition of United States four per cent. bonds of 1907, November 19, 1877.

Subscriptions received. \$75, 496, 550

Amount against which calls for six per cent. 5-20 bonds
have been issued. 50, 000, 000

Balance account of resumption act. 25, 496, 550

Very respectfully,

JOHN SHERMAN,
Secretary.

Hon. SAMUEL J. RANDALL,
Speaker House of Representatives.

Agreement.

This agreement, entered into this ninth day of June, 1877, between the Secretary of the Treasury of the United States, of the first part, and Messrs. August Belmont & Co., of New York, on behalf of Messrs. N. M. Rothschild & Sons, of London, England, and associates and themselves; Messrs. Drexel, Morgan & Co., of New York, on behalf of Messrs. J. S. Morgan & Co., of London, and themselves; Messrs. J. & W. Seligman & Co., of New York, on behalf of Messrs. Seligman Brothers, of London, and themselves; Messrs. Morton, Bliss & Co., of New York, on behalf of Messrs. Morton, Rose & Co., of London, and themselves, and the First National Bank of the City of New York, witnesseth:

That the said Messrs. August Belmont & Co., on behalf of Messrs. N. M. Rothschild & Sons, and associates and themselves, hereby agree to purchase from the Secretary of the Treasury \$10,312,500 of the bonds known as the four per centum consols of the United States issued under the acts of July 14, 1870, January 20, 1871, and January 14, 1875; and that Messrs. Drexel, Morgan & Co., on behalf of Messrs. J. S. Morgan & Co. and themselves, agree to purchase \$4,062,500 of said bonds; and that Messrs. J. & W. Seligman & Co., on behalf of Messrs. Seligman Brothers and themselves, agree to purchase \$4,062,500 of said bonds; and that Messrs. Morton, Bliss & Co., on behalf of Messrs. Morton, Rose & Co. and themselves, agree to purchase \$4,062,500 of said bonds; and that the First National Bank of the City of New York agree to purchase \$2,500,000 of said bonds, making a total aggregate of twenty-five million dollars of said bonds, on the terms and conditions following:

First. Of the said aggregate amount not more than five million dollars shall be sold for resumption purposes, the remaining twenty million dollars to be sold for funding purposes, and subscribed for by the parties of the second part during the months of July and August, 1877.

Second. The parties of the second part shall have the exclusive right to subscribe in the same proportion to each of the subscribers for the remainder of the four per cent. consols of the United States, or any portion of said consols authorized to be issued by the acts of Congress aforesaid, by giving notice thereof to the Secretary of the Treasury on or before the 30th day of June, 1878; but the party of the first part reserves the right to terminate this contract at any time after the 31st day of December, 1877, by giving ten days' notice thereof to the parties of the second part.

Third. That the Secretary of the Treasury shall not sell for resumption purposes exceeding five millions per month during the continuance of this contract except by mutual agreement of the parties hereto. When subscriptions are made for other than resumption purposes by the parties of the second part, the party of the first part shall issue calls of even date with said subscriptions for the redemption of an equal

amount of six per centum five-twenty bonds of the United States, as provided for in said act of July 14, 1870.

Fourth. The parties of the second part agree to pay for said four per centum bonds, par and interest accrued to the date of application for delivery of said bonds in gold coin, matured United States gold-coin coupons, or any of the six per centum five-twenty bonds called for redemption, or in United States gold certificates of deposit issued under the act of March 3, 1863, with the understanding that payment to the extent of the amount of any call shall be made within the time during which such call shall mature; provided, that if the parties of the second part shall elect so to do, they may have the privilege of making any of said subscriptions payable specifically in uncalled six per cent. five-twenty bonds of the United States, in which case the Secretary of the Treasury may to the extent of such payments omit the calls mentioned in condition No. 3.

Fifth. The parties of the second part shall receive in coin a commission of one-half of one per centum on all bonds taken by them, as allowed by the act of July 14, 1870, and shall assume and defray all expenses which may be incurred in sending bonds to London or elsewhere upon their request, or by transmitting bonds, coupons, or coin to the Treasury Department at Washington, including all cost of making the exchange of bonds, and shall also be charged with the cost of the preparation and issuing of the bonds.

Sixth. No bonds shall be delivered to the parties of the second part, or either of them until payment shall have been made in full therefor, in accordance with the terms of this contract.

Seventh. During the continuance of this contract, any sales of bonds ordered by the Secretary of the Treasury, by authority of law, shall be made through the parties of the second part, who shall be allowed thereon a commission similar in amount and subject to the same deductions as prescribed in the fifth clause of this contract.

Eighth. It is also agreed that the parties of the second part shall offer to the people of the United States, at par and accrued interest, in coin, the four per cent. registered consols and four per cent. coupon consols of the denominations of \$50 and \$100 embraced in this contract, for a period of thirty days from the public notice of such subscriptions, and in such cities and upon such notice as the Secretary of the Treasury may prescribe prior to the opening of the lists, and further, to offer to the subscribers the option of paying in installments extending through three months.

JOHN SHERMAN,

Secretary of the Treasury.

AUGUST BELMONT & CO.,

*On behalf of N. M. Rothschild & Son, of London,
and associates and themselves.*

J. & W. SELIGMAN & CO.,

On behalf of Seligman Brothers and themselves.

MORTON, BLISS & CO.,

On behalf of Morton, Rose & Co., of London, and themselves.

DREXEL, MORGAN & CO.,

On behalf of J. S. Morgan & Co., of London, and themselves.

THE FIRST NATIONAL BANK OF THE CITY OF NEW YORK,

By H. C. FAHNESTOCK.

Witnesses as to all:

R. C. MCCORMICK.

E. J. BABCOCK.

Copy of letter of instructions which was addressed to each assistant treasurer in the United States.

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., June 15, 1877.

SIR: You will receive herewith circulars and subscription-blanks for the new four per cent. United States bonds, consols of 1907, which you will distribute to such an extent as you may find convenient.

Upon receipt of a subscription for said bonds you will require two per cent. (2 per cent.) of the amount subscribed to be paid you, which you will deposit to the credit of the Treasurer of the United States in general account as a two per cent. deposit subscription to the four per cent. consols, and will issue coin certificates of deposit therefor in duplicate, forwarding the original to the loan division of this office with the application, and the duplicate to the depositor.

The remaining ninety-eight per cent., together with interest accrued from July 1, 1877, may be received at any time prior to October 16, 1877.

Should subscribers prefer to pay the full amount at once, you will issue therefor duplicate certificates of deposit, and dispose of them in the same manner as above indicated.

Bonds subscribed for through your office will be forwarded to your address upon notification by you that the subscribers are prepared to receive and pay for them.

Four per cent. interest tables will be furnished for your use in a few days, and at time of the delivery of the bonds you will receive from the subscribers the principal or ninety-eight per cent. thereof, as the case may be, and interest at four per cent. on the par value, accrued from July 1 to date of delivery.

Any person subscribing and making payment in full before July 1, 1877, will receive from the Treasurer of the United States an interest-check covering period from date of such payment to the date of the bond, July 1, 1877.

Applicants desiring to make payments in United States notes or New York exchange will be referred by you to some one of the subscribers of the accompanying prospectus.

Very respectfully,

JOHN SHERMAN,
Secretary.

Hon. A. U. WYMAN,
Treasurer of the United States.

[Circular.]

Under authority of a contract with the Secretary of the Treasury, the undersigned hereby give notice that from this date and until July 16, at 3 p. m., they will receive subscriptions for the four per cent. funded loan of the United States, in denominations as stated below, at par and accrued interest in gold coin.

The bonds are redeemable after thirty years from July 1, 1877, and carry interest from that date, payable quarterly, and are exempt from the payment of taxes or duties to the United States, as well as from taxation in any form by or under State, municipal, or local authority.

The interest on the registered stock will be paid by check, issued by the Treasurer of the United States to the order of the holder, and mailed

to his address. The check is payable on presentation, properly indorsed, at the offices of the Treasurer and Assistant Treasurers of the United States.

The subscriptions will be for coupon bonds of \$50 and \$100, and registered stock in denominations of \$50, \$100, \$500, \$1,000, \$5,000, and \$10,000.

The bonds, both coupon and registered, will be ready for delivery July 2, 1877.

Forms of application will be furnished by the Treasurer at Washington, the assistant treasurers at Baltimore, Boston, Chicago, Cincinnati, New Orleans, New York, Philadelphia, Saint Louis, and San Francisco, and by the national banks and bankers generally. The applications must specify the amount and denominations required, and, for registered stock, the full name and post-office address of the person to whom the bonds shall be made payable.

Two per cent. of the purchase-money must accompany the subscription, the remainder may be paid at the pleasure of the purchaser, either at time of subscription or at any time prior to October 16, 1877, with interest added at four per cent. to date of payment.

The payments may be made in gold coin to the Treasurer of the United States at Washington, or assistant treasurers at Baltimore, Boston, Chicago, Cincinnati, New Orleans, and Saint Louis, and to the assistant treasurer at San Francisco, with exchange on New York, or to either of the undersigned.

To promote the convenience of subscribers the undersigned will also receive, in lieu of coin, United States notes or drafts on New York at their coin value on the day of receipt in the city of New York.

AUGUST BELMONT & Co., *New York.*

DREXEL, MORGAN & Co., *New York.*

J. & W. SELIGMAN & Co., *New York.*

MORTON, BLISS & Co., *New York.*

FIRST NATIONAL BANK OF THE

CITY OF NEW YORK, *New York.*

DREXEL & Co., *Philadelphia.*

JUNE 14, 1877.

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H, Ex. 17—2

METRICAL SYSTEM OF WEIGHTS AND MEASURES.

MESSAGE

FROM THE

PRESIDENT OF THE UNITED STATES,

IN ANSWER TO

A resolution of the House of Representatives, concerning the obligatory use of the metrical system of weights and measures.

NOVEMBER 20, 1877.—Referred to the Committee on Coinage, Weights, and Measures, and ordered to be printed.

To the House of Representatives :

In answer to the resolution of the House of Representatives, of the 6th instant, requesting the opinions of the heads of the executive departments respecting the obligatory use of the metrical system of weights and measures, I transmit herewith a report from the Secretary of State.

R. B. HAYES.

WASHINGTON, November 20, 1877.

DEPARTMENT OF STATE,

Washington, November 17, 1877.

The Secretary of State, in response to the resolution of the House of Representatives of the 6th instant—

That the heads of the executive departments be, and they are hereby, requested to report to this House, at as early a date as practicable, what objections, if any, there are to making obligatory in all governmental transactions the metrical system of weights and measures, whose use has been authorized in the United States by act of Congress; and also how long a preliminary notice should be given before such obligatory use can be introduced without detriment to the public service; and that they are also requested to state what objections there are, if any, to making the metrical system obligatory in all transactions between individuals, and what is the earliest date that can be set for the obligatory use of the metrical system throughout the United States—

has the honor to report:

1st. That the obligatory use of the metrical system, so far as the operations of the Department of State are concerned, and especially its consular and commercial relations with foreign governments, while of

convenience and utility with respect to those countries which have already adopted the metrical system to the exclusion of all others, would be of no benefit with regard to those countries which have not so adopted it, and would introduce detrimental confusion, in particular in its commercial relations with Great Britain and other countries where the system of weights and measures is the same as that of the United States, and with which countries the bulk of our foreign commerce is at present carried on.

2d. That should the obligatory use of the metrical system in governmental transactions be enacted, two years' preliminary notice of the change would suffice to bring the system into harmonious and uniform use in this department and its dependencies abroad.

3d. That the Department of State does not seem to the Secretary of State to be in a position to express an authoritative opinion as to the obligatory adoption of the metrical system in all transactions between individuals, inasmuch as its relations directly with the people of the United States are not of a character to be either beneficially or injuriously affected by the suggested change. He ventures to remark, however, that even in those countries, like France, where the system has been obligatory beyond the memory of the present generation, the tradition of the old system clings among the people and defies complete eradication; and that in other countries, like Spain, where the metrical system is adopted in governmental transactions and legalized for those of individuals, the innovation is practically disregarded by the people, and but partially conformed to by the government, which is compelled to recognize the validity of the old standards, in which the continuing transactions of the nation, such as the registration of landed property, the assessment of industrial taxation, &c., are still, and must be of necessity for many years, recorded. While recognizing that the proposed measure is one mainly affecting the people, and therefore properly to be legislated upon by the popular representatives, the Department of State, being called upon for a specific opinion on the subject, is, on the whole, indisposed to recommend the obligatory use of the metrical system in all transactions between individuals.

4th. That should its obligatory use as between individuals be enacted, a period of not less than five years should be allowed to elapse before the act takes effect; and that, even then, provision should be made for the recognition of the legal validity of transactions according to the present lawful systems of weights and measures.

Respectfully submitted.

WM. M. EVARTS.

To the PRESIDENT.

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METRICAL SYSTEM OF WEIGHTS AND MEASURES.

LETTER

FROM

THE SECRETARY OF THE NAVY,

IN REPLY TO

A resolution of the House of Representatives in reference to the metrical system of weights and measures.

NOVEMBER 20, 1877.—Referred to the Committee on Coinage, Weights, and Measures.
NOVEMBER 22, 1877.—Ordered to be printed.

NAVY DEPARTMENT,
Washington, November 19, 1877.

SIR: I have the honor to acknowledge the receipt of the following resolution, adopted by the House of Representatives on the 6th instant:

That the heads of the Executive Departments of the government be, and they are hereby, requested to report to this House, at as early a date as practicable, what objections, if any, there are to making obligatory in all governmental transactions the metrical system of weights and measures, whose use has been authorized in the United States by act of Congress; and also how long a preliminary notice should be given before such obligatory use can be introduced without detriment to the public service; and that they are also requested to state what objections there are, if any, to making the metrical system obligatory in all transactions between individuals, and what is the earliest date that can be set for the obligatory use of the metrical system throughout the United States.

If it were desired to make the metrical system of weights and measures obligatory in all government transactions, the Navy Department perceives no objection to it, except in so far as it regards the soundings given on charts. If it were applied to these it would probably involve a total loss of all charts and chart-plates now in use. The alteration of these would give them no increased value; and as long as English charts remain in fathoms and feet it would be, in fact, prejudicial, and prevent that free use and interchange of charts which seems essential to navigators.

So far as this department is concerned, no longer notice would be necessary than was sufficient to furnish the standard weights and measures adopted for government use.

Respecting the last inquiry submitted by the resolution, "What objections there are, if any, to making the metrical system obligatory in all transactions between individuals, and what is the earliest date that can be set for the obligatory use of the metrical system throughout the United States?" the department is unable to give a definite answer,

inasmuch as it is not informed as to the present intention of the English-speaking peoples in regard to the adoption of the proposed change. However desirable or advantageous in theory the change might seem, if adopted by us and not by the other peoples speaking the English language, it would seem probable that a mutual disadvantage would exist growing out of diverse weights and measures.

It may be assumed that a more general intercourse will exist between peoples speaking a common language than between peoples who speak different languages. And looking at the present geographical extent of the countries wherein the English language is used, and the importance of their commercial intercourse, and also its future importance, as compared with any other of the spoken languages, at a period not at all remote, if regarded historically, it would seem to be of doubtful expediency to separate ourselves from what is now common in weights and measures with other people who speak our language, and with whom it is desirable to increase rather than diminish our commercial intercourse. Experience would indicate that we should hold ourselves in accord with them, rather than adopt other standards, however theoretically advantageous, for it will be impossible to escape many practical disadvantages if our standards vary from theirs, so long as our intercourse shall continue.

I have the honor to be, very respectfully,

R. W. THOMPSON,

Secretary of the Navy.

Hon. SAMUEL J. RANDALL,

Speaker of the House of Representatives.

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METRICAL SYSTEM.

LETTER

FROM

THE POSTMASTER GENERAL,

IN REPLY TO

A resolution of the House of Representatives in reference to the metrical system of weights and measures.

NOVEMBER 20, 1877.—Referred to the Committee on Coinage, Weights, and Measures.
NOVEMBER 22, 1877.—Ordered to be printed.

POST OFFICE DEPARTMENT,
Washington, D. C., November 19, 1877.

SIR: In reply to the request contained in the resolution of the House of Representatives of date the 6th instant, (a copy of which is hereunto appended, marked A, I have to say that the only objections to making the use of the metric system of weights and measures obligatory throughout the domestic postal service, which occur to me as having been made or as likely to be made, are two: one based on the expense incident to the change of systems, and the other based on an apprehension that the practical workings of a new system will fail to give satisfaction, owing to the lack of knowledge of the metric system and experience in its use and application on the part of a great many postmasters, especially at the small post-offices, and of the public at large.

In order to ascertain the probable force of the first objection, I have caused the blank-agent of this department (who is the officer charged with the duty of supervising the supplying of balances and scales for use in the postal service) to make an estimate of the probable number, grade, and cost of the balances and scales of the metric system which should be provided to take the place of those now in use in case a change is ordered. His estimate (herewith submitted, marked B) puts the number of the various grades at 43,867, and Fairbanks & Co.'s (the present contractors) price-list cost of that number of those now in use at \$166,384. Assuming that the cost of metric scales and balances would be no greater than that of the ones now used, and that a discount of 25 per cent. on the list-price would be made, the sum of \$124,788 would be called for as an immediate outlay to provide for the change.

In regard to the second objection, it is not to be denied that the metric system of weights and measures corresponds in principle with

the decimal system long in use in the United States for coinage and money-valuations, and that presumptively no greater inherent difficulty is likely to be encountered in the application of the decimal system to our weights and measures in the domestic postal service than was met in the change from the English system of coinage and money-valuations to the present one. The latter is certainly the simpler one, and has for some time past been in use for the foreign mail service of this department. The objection, then, is in my opinion founded on an apprehension that mistakes and consequently resulting annoyances, and possibly losses, would occur in the practical application, and not on any well-grounded objection to the principle of the metric system. This apprehension would, I believe, be greatly lessened, if not altogether abated, were sufficient time given for familiarizing postmasters and the general public with the practical workings of the new system before discontinuing the use of the old one.

Therefore, if Congress in its wisdom decide that the use of the metric system of weights and measures shall be extended to the entire postal service of this country, I suggest that an adequate appropriation be made to supply all the post-offices in the United States with suitable scales and balances of that system, and that after such supply is completed, a certain time, say six months, be allowed before requiring their obligatory use. Twelve months would, I suppose, be ample time to supply the offices, and eighteen months after such appropriation is available the new system could go into operation.

I have only the same means that any other citizen has of forming a judgment in regard to the last inquiry made in the resolution of the House, and I therefore deem it proper not to attempt to make an answer to it in this connection.

I have the honor to be, very respectfully, your obedient servant,

D. M. KEY,

Postmaster-General.

HON. SAMUEL J. RANDALL,

Speaker of the House of Representatives.

A.

[FORTY-FIFTH CONGRESS, FIRST SESSION.]

CONGRESS OF THE UNITED STATES,
In the House of Representatives, November 6, 1877.

On motion of Mr. Clark, of Missouri,

Resolved, That the heads of the Executive Departments of the government be, and they are hereby, requested to report to this House, at as early a date as practicable, what objections, if any, there are to making obligatory in all governmental transactions the metrical system of weights and measures, whose use has been authorized in the United States by act of Congress, and also how long a preliminary notice should be given before such obligatory use can be introduced without detriment to the public service; and that they are also requested to state what objections there are, if any, to making the metrical system obligatory in all transactions between individuals, and what is the earliest date that can be set for the obligatory use of the metrical system throughout the United States.

Attest:

GEO. M. ADAMS, *Clerk.*

B.

BLANK AGENCY,
Washington, D. C., November 15, 1877.

SIR: In answer to your questions, I can only approximate as to the probable number and cost of the introduction into all the post-offices of the United States of balances denominated in grams of the metric system.

The present number of post-offices in the United States is 37,575, with an average annual increase of one thousand.

Added to this, there are many of the larger offices requiring more than one of the smaller balances, and at all offices where newspapers are mailed in bulk the larger scales are used.

I have therefore thought it fair to estimate as follows:

Weight.	Number.	Price.	Total cost.
8 ounces	39,000	\$3 00	\$117,000
4 pounds	3,000	8 00	24,000
62 pounds	1,200	12 00	14,400
240 pounds	600	14 00	8,400
600 pounds	50	30 00	1,500
1,000 pounds	10	51 00	510
2,000 pounds	7	82 00	574
	43,867	.....	166,384

In computing the prices in the above table, I have taken the "Price-list of Fairbanks & Co." for the ordinary scales now in use, and am informed that a very liberal deduction will be made to cash purchasers.

In regard to the suggestion of attaching a beam to the present letter-balances, upon which to weigh by French grams, and the other plan of adapting the scales already in use to this system by sending a "clamping-screw" of the requisite additional weight, to increase, by adding to the poise, each by its nineteenth part, I herewith inclose valuable correspondence on that subject, with particular reference to the letter of Fairbanks & Co. of July 15, 1874, wherein they set forth the utter impracticability of adopting either plan without great liability to mistakes, or the necessity of sending skilled workmen to adjust each scale.

I am, very respectfully, your obedient servant,

D. W. RHODES,
Superintendent.

Hon. J. W. MARSHALL,
Superintendent Railway Mail Service.

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MOLINE WATER-POWER COMPANY.

LETTER

FROM

THE SECRETARY OF WAR,

TRANSMITTING

The report of the commissioners appointed to examine the Moline water-power.

NOVEMBER 23, 1877.—Referred to the Committee on Appropriations and ordered to be printed.

WAR DEPARTMENT, *November 20, 1877.*

The Secretary of War has the honor to transmit to the United States Senate and House of Representatives a copy of the report of the commission appointed in accordance with the joint resolution of March 3, 1877, (19 Stat., p. 410,) to examine into the matter of contracts made by and between the United States and the Moline Water-Power Company as to the water-power at Moline, Ill., and the development and maintenance of the same.

GEO. W. MCCRARY,
Secretary of War.

To the SPEAKER OF THE HOUSE OF REPRESENTATIVES.

ARMY BUILDING,
New York, June 13, 1877.

SIR: The commission designated by paragraph 6 of Special Orders No. 72, of April 5, 1877, issued in compliance with the joint resolution of Congress approved March 3, 1877, authorizing the Secretary of War to appoint a commission to examine into the matter of contracts made by and between the United States and the Moline Water-Power Company as to the water-power at Moline, Ill., having performed the duty above specified, has the honor to submit the following report thereon.

The commission first met in Washington as directed in the order, and after examining certain maps and documents relating to contracts between the United States and the Moline Water-Power Company, which were laid before it by the acting chief of ordnance, and an informal dia-

cussion of the subject, adjourned to meet at Rock Island arsenal, Ill., on May 4, 1877. Meeting at the arsenal in pursuance of this adjournment, the commission continued in session from day to day until the evening of the 10th of May, during which time all the contracts and the correspondence upon the subject, as well as the maps and plans relating to the work, were thoroughly examined, the works themselves visited, and conferences held with the president of the Moline Water-Power Company and several of the prominent manufacturers and mill-owners interested in the water-power improvement.

The history of the development of the water-power at Rock Island may be briefly stated as follows: In February, 1837, the legislature of Illinois granted to David B. Sears and associates a charter to build a dam across the "slough" to Rock Island, which charter was extended two years later, and the dam was built in 1841-'42 and two mills put up on the Moline side. This water-power was occupied by Sears and associates for several years, but in 1851 it passed by sheriff's deeds to Pitts, Gilbert & Pitts, who in 1855 organized a company under a new charter. In 1859 this company issued a quantity of bonds to parties in Syracuse, N. Y., in order to raise money for repairs and improvement of their works, which not being paid, the property passed by sheriff's deed in April, 1864, to H. K. Whyte, jr., who held as trustee for himself and associates.

The question of the use by the government of the water-power which might be developed, both between the island and the Moline shore and between the island and Benham's Island, as a motive-power for driving machinery in the public shops to be erected on the island seems to have been first brought up prominently in November, 1865, as appears by a letter from General Rodman to the Chief of Ordnance, dated the 7th of that month. (Appendix V.) On the 18th of the same month General Rodman, in a letter to P. R. Reed, the agent of the then water-power company, presents certain questions looking toward an arrangement by which the United States should have the use of one-half the water-power developed by the company's dam. (Appendix VII.)

Previously to this time negotiations had been entered into with the owners of the water-power by Charles Atkinson and associates for the purchase of the property, and a charter was obtained by them, under the name and style of the Moline Water Company, in February, 1865; but the company does not seem to have been organized and the property purchased until December of that year, and after it became known that there was a serious intention entertained of using this power for driving the machinery in the government shops.

It should be remembered that neither this nor the previous charters did or could give any legal right to abut a dam upon the island of Rock Island, or to use the west half of the slough as a pool, without the consent of the United States Government, in which was vested the ownership of the adjacent shore of the island. The existence of the water-power from the time of the construction of the first dam to the date of the signing of the first contract with the government in 1867 was dependent upon the pleasure of the latter. Hence the contract is to be considered as a necessary preliminary to the securing by the company of any legal right to a water-power practically useful.

The commission appointed under the acts of Congress approved April 19, 1864, and June 27, 1866, consisting of Maj. Gen. J. M. Schofield and Messrs. James Barnes and Selden M. Church, to ascertain the true value of the land on Rock Island taken possession of by the War Department, and the compensation due each claimant, reported under

date of January 24, 1867, (Appendix X,) that it found it impracticable to determine as a separate question the damage sustained by the Moline Water-Power Company in the taking possession by the United States of their one-half of the water-power, because of the inseparable character of the joint interest of the United States and the company; but recommended for adoption by the War Department the basis of an agreement with the company which they presented for the settlement of all questions pending between that company and the United States. The only conditions in this proposed agreement which have relation to the present condition of the subject are as follows:

1. The Moline Water-Power Company to convey to the United States the fee of the entire Moline water-power, and also to grant to the United States the unrestricted use in perpetuity, without charge, of so much of the bed of the river not already belonging to the United States as may be covered by the pool and wall necessary to develop the water-power, and ten feet outside of said wall, together with the right of access thereto from the Illinois shore at all times for the purpose of constructing or of repairing said wall.

2. The government to develop and maintain the power, so far as it can be done with the money heretofore appropriated and that which may hereafter be appropriated by Congress for that purpose.

3. The Moline Water-Power Company to have the use in perpetuity, free from all charge for rent or repairs, of one-fourth of the entire water-power developed, and also the right to rent for a specified time, at the rate of fifty cents per annum per square inch of water-power, measured by openings of water-wheels, so much additional power as the Ordnance Department may deem expedient.

5. Sixty thousand dollars of the present appropriation to be applied to the extension of the present stone dam on the Moline side, and \$40,000 to the extension and repairs of the wing-dam and removal of such deposits as may be required for the extension and repairs of said wing-dam. The use of the present water-power shall not be unnecessarily obstructed during the construction of the proposed work, nor shall any rent be required until the improvement contemplated by the \$100,000 appropriation shall have been made.

By joint resolution of Congress, approved March 2, 1867, (Appendix XI,) the Secretary of War was authorized and empowered to carry into effect the recommendations of the commission above referred to, "and to make application for that purpose of the money heretofore appropriated for securing water-power at the head of Rock Island;" and under this authority a contract was entered into by the Secretary of War for and in behalf of the United States, and Mr. Charles Atkinson, president, for and in behalf of the Moline Water-Power Company, and signed by them on the 20th August, 1867, and the 18th June, 1867, respectively. (Appendix XII.)

In carrying this contract into practical effect, several questions arose regarding the construction to be given to certain points upon which the parties in interest were not agreed; and General Rodman, under date of August 5, 1868, advised that the views of the commissioners should be obtained as to the true intent of their recommendation in relation to the points referred to, (Appendix XIII.) The replies of the commissioners are herewith, marked Appendix XV, XVI, XVIII.

In 1869 a change of plan of dam was proposed, in order to lessen the cost of construction, which involved the excavation of a canal for carrying off the tail-water from the company's wheels, said canal to cross the lands of the company; and a second contract was entered into with the company, by which the land needed for the purpose was ceded to the United States. This contract was signed by the Secretary of War "under the authority of the joint resolution of Congress approved March 2, 1867." (Appendix XIX.) These two contracts are the only ones between the United States and the Moline Water-Power Company, and are those

referred to in the joint resolution approved March 3, 1877, under which the present commission was appointed. If, therefore, the company has cause to complain, it must be from the failure of the United States to carry out certain of the stipulations embraced in one or both of these contracts.

The particular causes of complaint as presented by the company will be found in the communication of its president, dated May 8, 1877, (Appendix XXV.) They may be briefly stated as follows:

1. That the government has not constructed the wing-dam as understood and agreed.
2. It has not excavated the channel from deep water into the pool as was proposed to be done as a substitute for the long wing-dam.
3. It has not removed the deposits existing in the pool at the time of making the contract of April 8, 1869.
4. It has received transfer, and taken and holds possession of the company's property without performing the consideration agreed upon.
5. It has violated the condition of section 6 of original contract by leaving in the pool a part of the bottom of the coffer-dam, and in the water-way at mouth of the canal a mass of stone which holds back the tail-water, and is a positive detriment to the power.
6. It has failed to maintain the water-power by its neglect to remove the annual accumulations in the pool since the execution of the contracts, and which have increased to an extent which threatens at no distant day to make the entire power practically worthless for a considerable portion of the year. The company estimates the amount of these accumulations at from 133,000 to 150,000 cubic yards.

In regard to the first of the foregoing complaints, it appears that the only obligation incurred by the United States is contained in the third stipulation of the original contract and the fifth recommendation of the Rock Island commission, by which \$40,000, or so much thereof as the War Department may consider necessary, was to be applied to the extension and repairs of the wing-dam. It appears from the statement of the commanding officer at Rock Island, (Appendix XXIX,) that the money actually paid out was \$28,874.72, to which should be added \$26,458.62 for stone obtained from the excavation on Rock Island Rapids improvement and charged at the same price as was paid to the Moline Water-Power Company for similar stone, and \$806.93 for labor of enlisted men; making a total of 56,140.27, or over \$16,000 more than was specified in the agreement.

As regards the second complaint, there is nothing to be found in either of the contracts in reference to the excavation of the channel alluded to. Such a channel has been proposed, and an appropriation therefor asked of Congress, in order to bring into the pool the amount of water in low stages of the river needed for the full development of the power required by the government, including that to which the company would be entitled.

The third complaint seems to be founded on the third stipulation of the contract of April 8, 1869, which provides that "the United States shall resume, as early the present season as the stage of water will permit, the development and prosecute to completion, according to agreement, the upper portion of the water-power and the removal of deposits in the pool." The only reference to the removal of deposits is found in the fifth recommendation of the Rock Island commission, (which recommendations form a part of the original contract,) wherein it is provided that \$40,000 shall be applied "to the extension and repairs of the wing-dam and removal of such deposits as may be required for the extension

and repairs of said wing-dam." In fact, however, it appears from the statement of the commanding officer that 121,010 cubic yards of deposit were removed from the pool during the months of May (the date of the contract) to December of that year.

The fourth complaint being of a general nature, will be considered further on.

As regards the fifth complaint, it is stated by the commanding officer in his communication of the 13th June, 1877, that a great deal of attention has been given to the removal of the bottom of the old coffer-dam, and that he is satisfied that not enough remains to form an "obstruction" to the pool; that the site of this coffer-dam is in a deep part of the pool compared with the depth at the head, and that the water, in the lowest stage of the river, stands level over this part of the pool, which it would not do if there were an obstruction at that point. Respecting the second part of the complaint, the commanding officer states that the canal was excavated under his supervision, and that a mass of stone was not left in the mouth of the canal, and that none has been put there since its completion. (Appendix XXXVI.)

The sixth alleged grievance is met in part in the remarks regarding the third, where it is stated that the only reference to the removal of deposits was to be found in the fifth recommendation of the Rock Island commission, that such deposits shall be removed as may be required for the extension and repairs of the wing-dam; the cost of the removal to be paid out of the \$40,000 assigned to said extension and repairs. It is undoubtedly true that the entrance to the pool is now so obstructed by the accumulation of deposits as to practically keep out the water in low stages of the river, so that on this account the mills are then without power. The average time of each year when the mills are without serviceable power was estimated by the mill-owners, who appeared before us, at three months, and three months with half power.

There are fifteen wheels in use, affording about fifty horse-power each, or seven hundred and fifty in all. The above estimate of the time during which the mills are without sufficient water-power would seem to be much exaggerated, judging from the record of the daily stages of water kept by the Ordnance Department.

Although the United States have nowhere specifically agreed to remove the deposits in the pool, except as stated in the fifth recommendation of the Rock Island commission, and in the contracts of 1867 and 1869, which provide for the "removal of such deposits as may be required for the extension and repairs of the wing dam," a removal which was fully accomplished long since, yet it appears from the statement of the commanding officer that there was actually removed between January, 1869, and October, 1876, the large amount of 151,265 cubic yards. (Appendix XXX.)

The fourth complaint charges, in a general way, that the United States has received transfer and holds possession of the company's property without performing the consideration agreed upon, while it appears that the only consideration in the contracts was that the United States should apply the existing appropriation of \$100,000, and any future appropriations that might be made, to the development and maintenance of the water-power, giving to the company one-fourth the power so developed free of cost, with the privilege of taking at a nominal rent an additional amount not needed by the government. The United States has actually expended for these purposes the sum of \$758,227.21. (Appendix XXXI.)

From what has been stated it appears that the specific complaints of

the Moline Water-Power Company are not sustained, with the possible exception of the fifth. It is presumable, however, that the company expected, in transferring its share of the water-power privilege in question, (one-half,) that the government would go on with its development to the extent required for the purposes of the arsenal, including the removal of such of the deposits from the pool, and the opening of a sufficient channel into the same, to secure the requisite supply of water in low stages; and it is natural, perhaps, that disappointment should be felt that this expectation has not been fully realized. All this will still be done if, as is presumed, the government shall use the water as a motive-power for the shops, instead of steam. The dams are all built, the gates are in place, and the machinery ready for setting up. The cost of this power will be only nominal as against at least \$60 per horse-power per annum for steam; and as the commanding officer estimates that provision should be made for at least two thousand horse-power for government purposes, there would be a saving of, say, \$120,000 per annum by using water instead of steam when running to the extent referred to.

Respectfully submitted.

A. A. HUMPHREYS,

Brigadier-General and Chief of Engineers, Bvt. Maj. Gen., U. S. A.

H. G. WRIGHT,

Lieutenant-Colonel of Engineers, Brevet Major-General.

HENRY L. ABBOT,

Major of Engineers, Brevet Brigadier-General.

Hon. GEORGE W. MCORARY,

Secretary of War, Washington, D. C.

APPENDIX I.

[PUBLIC RESOLUTION No. 7.]

JOINT RESOLUTION to appoint a commission to examine into the matter of contracts made by and between the United States and the Moline Water-Power Company as to the water-power at Moline, Ill., and to report to Congress as to same.

Whereas, the Moline Water-Power Company, of Moline, in the State of Illinois, complains that certain contracts made with said company by the United States, through the Secretary of War, acting under the authority of Congress, have not been carried out in good faith in developing and maintaining the water-power at said town of Moline, as required by said contracts, and that by reason of such failure said company has sustained and is sustaining large damages: Therefore,

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of War be, and he is hereby, authorized and required to appoint a commission to consist of three competent civil engineers, one of whom shall be the Chief of Engineers of the United States Army, whose duty it shall be to examine into the subject-matter of said contracts, made by and between the United States, as aforesaid, and the said water-power company, as to said water-power, and the development and maintenance of the same, and to report to the Congress of the United States at its next session what, if anything, is necessary to be done by the United States to carry out in good faith said contracts, and to relieve said water-power company from its alleged grievances. Said report to be submitted, through the Secretary of War, to the Congress of the United States at the commencement of its next session, and to be directed to the Speaker of the House of Representatives.

Approved March 3, 1877.

APPENDIX II.

[Special Orders No. 72.]

HEADQUARTERS OF THE ARMY,
ADJUTANT-GENERAL'S OFFICE,
Washington, April 5, 1877.

[Extract.]

6. In compliance with the joint resolution of Congress, approved March 3, 1877, authorizing and requiring the Secretary of War to appoint a commission to examine into the matter of contracts made by and between the United States and the Moline Water-Power Company as to the water-power at Moline, Ill., and to report to Congress as to the same, the Secretary of War directs that a commission, to consist of—

Brigadier-General A. A. Humphreys, Chief of Engineers,
Lieutenant-Colonel H. G. Wright, Corps of Engineers,
Major H. L. Abbot, Corps of Engineers,
assemble in Washington, D. C., on the 10th day of April, 1877, or as soon thereafter as practicable, to consider the matter in question; and that, under the orders of the senior member of the commission, it proceed to Rock Island, Ill., and make such other journeys and visit such works as may be necessary for the investigation of the subject presented to it. The cost of said journeys to be defrayed from the appropriations for transportation of the Army.

The commission will report to the Secretary of War; and its members, upon completion of these duties, will repair to their several stations.

By command of General Sherman :

E. D. TOWNSEND,
Adjutant-General.

Official :

S. N. BENJAMIN,
Assistant Adjutant-General.

APPENDIX III.

Information respecting title and history of the Moline Water-Power Company, furnished by Charles Atkinson, president Moline Water-Power Company, to Colonel D. W. Flagler, January 4, 1877.

In February, 1837, the legislature of Illinois granted to David B. Sears and John W. Spencer a charter to build a dam across the slough to Rock Island.

In February, 1839, this charter was extended.

The dam was built in 1841 and 1842; a saw and grist mill put up on the Moline side same season.

Water-power was occupied by David B. Sears and associates for several years; in 1851 it passed by sheriff's deed to Pitts, Gilbert & Pitts, formerly of New York.

About 1853 or 1854 Pitts, Gilbert & Pitts entered into contract with C. Atkinson and others for the sale of the entire property, including water-power and mills.

This arrangement was not carried out, a suit followed, but was ultimately settled by compromise, and the contract was surrendered, together with a charter obtained by C. Atkinson and associates, February 14, 1855. Pitts, Gilbert & Pitts organized a company under this charter and carried on business several years.

The company issued a quantity of bonds to Hamilton White, of Syracuse, N. Y., in 1859, to raise money for improvement and repairs.

These bonds were distributed to Horace K. White, Charles Sedgwick, and several other parties in that city and vicinity.

The bonds not being paid, the whole property, including water-power and franchises, subsequently came into the possession of the bondholders, and finally a title by sheriff's deed to Horace K. White, Jr., April 25, 1864, who held as trustee for himself and associates.

During the negotiations commenced between Atkinson and associates on the one part, for the purchase of the water-power and property adjoining; and, in expectation that they would ultimately buy it, they, (Atkinson and associates,) in February, 1865, obtained the charter of the Moline Water-Power Company. In December, 1865, they organized a company under this charter, and the same date made purchase of the water-power and franchises and of land adjoining and have occupied since.

Official copy :

D. W. FLAGLER,
Major of Ordnance, Brevet Lieutenant-Colonel United States Army, Commanding.

APPENDIX IV.

AN ACT to incorporate the Moline Water-Power Company.

SECTION 1. *Be it enacted by the people of the State of Illinois represented in the General Assembly*, That John Derre, S. W. Wheelock, D. C. Dimock, John M. Gould, J. S. Keator, Charles Atkinson, and their associates and successors, are hereby constituted a body politic and corporate by the name and style of the "Moline Water-Power Company," and by that name they and their successors shall in law be capable of suing and being sued, of pleading and being impleaded in all courts and places whatsoever.

SEC. 2. Said company may own real estate and a part or all of the water-power at Moline, and are authorized to carry on such kinds of manufacturing business as they may desire, or lease or sell water-power or land to others for that purpose.

SEC. 3. The management and direction of the affairs of said company shall be vested in a board of directors to be elected by the stockholders, and said company are hereby authorized to establish any by-laws and regulations, and to alter or amend the same, as shall be necessary to carry out the provision of this charter, provided the said by-laws and regulations do not conflict with or be repugnant to the laws of the United States or of this State.

SEC. 4. The capital stock of said company may be seventy-five thousand dollars with the privilege of increasing to an extent not exceeding three hundred thousand dollars, and be divided into shares of one hundred dollars each.

SEC. 5. This act to take effect and be in force from and after its passage.

ALLEN C. FULLER,
Speaker of the House.
WM. BROSS,
Speaker of the Senate.

Approved February 16, 1865.

RICHARD J. OGLESBY.

UNITED STATES OF AMERICA,
State of Illinois, ss:

I, Sharon Tyndale, secretary of state of the State of Illinois, do hereby certify that the foregoing is a true copy of an enrolled law now on file in my office. In witness whereof I have hereunto set my hand and affixed the great seal of the State at the city of Springfield, this 28th day of February, A. D. 1865.

SHARON TYNDALE,
Secretary of State.

APPENDIX V.

ROCK ISLAND ARSENAL,
November 7, 1865.

SIR: I deem it my duty respectfully to call the attention of the department to the present condition of the slough, or the minor channel of the river, running between Rock Island and the Illinois shore.

Before any artificial obstructions were placed in this channel a sufficient quantity of water passed through it to keep it free from deposits of sediment and give a healthy flow of water.

The following obstructions have been placed in this channel, viz: At the lower end, the piers and embankment of the wagon-road bridge from the island to Rock Island City, and a short distance above it, those of the railroad-bridge, and at a point near the upper end of the island, a close dam entirely across this channel, built by a water-power company, and so constructed as to allow no water to pass over it, and only so much through it as passes from leakage, and that which is used as motive power. The effect of all these obstructions is to cause a sluggish flow of water in the channel, and deposits of sand, mud, sawdust, &c., above and below the bridges at the lower end of the island, and of sand and mud at the upper end above the dam of the water-power company. These deposits have been gradually accumulating for a number of years, and already amount to a number of acres at each of the obstructions. If these obstructions be allowed to remain as they now exist, this channel must ultimately, and, in my judgment, at no very distant day, become a pool of stagnant water, which cannot fail to affect seriously and injuriously the sanitary condition of this island.

The bridges are both necessary to the public interest here, and the water-way under them may be so increased as to offer no injurious obstruction to the flow of water.

The water-power derived from the water-power company's dam may, I think, if it can be preserved without injury to the sanitary condition of the island, be advantageously used, together with that derived from the dam between the main island and Benham's Island, as a motive power for driving machinery in the public shops about to be erected on this island.

I should use the water-power to condense air to 50 or 60 pounds per square inch, and

convey this condensed air to the shops in iron pipes, and use it instead of steam—having steam-boilers for supplying steam to the same engines when the water-power should, from any cause, fail to supply condensed air.

I inclose herewith for the information of the department the views and propositions of the water-power company, and others interested in the preservation of that power, for preserving it without injury to the sanitary condition of the island.

It appears to me that early and definite action upon this subject should be taken by the department at as early a day as practicable, as the deposits in the slough are, and will be, constantly accumulating.

I am, sir, very respectfully, your obedient servant,

T. J. RODMAN,

Major of Ordnance, Brevet Brigadier-General, U. S. A.

Brigadier-General A. B. DYER,

Chief of Ordnance, Washington, D. C.

APPENDIX VI.

MOLINE, ILL., November 7, 1865.

Major T. J. RODMAN,

Rock Island Arsenal:

SIR: Having by your kindness been permitted to read your letter to the department, of this date, referring to the dam at this place, and in pursuance of conversations with you in regard to the same, and its effect on the sanitary condition of the island and neighborhood, I am authorized, in behalf of those with whom these conferences have been had, to say:

First. That up to this time it is not realized that any special unhealthy influences have ever yet been experienced by the building of our dam, though we must agree with you, that should the dam and bridges continue as they now are, the deposits will naturally increase. Our own interest and comfort have long since suggested a remedy, but which up to this time we have not been able to apply, as will hereafter appear.

It has always been the intention to extend the side walls far enough down stream to exhaust the capacity of the power, and to close up the space between the walls with piers and gates instead of a tight dam, as is now used; these gates are to be so made as to be opened at pleasure, and the water-way to be left as large as possible.

We have thought and still believe that to open these gates, say Saturday night after the close of work, and let them remain open until Monday morning, it would give a flow of water through the entire length of the slough of sufficient volume and force to carry away into the main river below the island all the sediment or deposit that will have accumulated during the week, provided the openings are sufficiently large at the bridges below, which, I believe, a very slight examination will satisfy you are at present very much too small.

In regard to the deposits already accumulated above the dam, we have always expected to remove the most of this by artificial means, (the upper portion is mostly clean, sharp sand, suitable for building, and such as is now being used at the arsenal, at the lower end of the island;) but even if no means except the gates were used to remove this deposit, we believe (as it is a smooth, rock bottom) that the whole would in time pass entirely out into the main channel if, as I before remarked, the bridge obstructions were taken away.

With this submitting of our mode of keeping up the water-power without jeopardizing the future healthfulness of either the island or its neighborhood, and of increasing the usefulness as a motive power, it is perhaps proper to say to you that the present dilapidated reputation of the Moline water-power comes from causes heretofore out of our power to remove.

For nearly twenty years this property has been embarrassed and encumbered with mortgages and vexatious lawsuits, and it is only very recently that the end of them seemed to be near.

In July or August, 1863, propositions for purchase were made by our people, and accepted by the owners who live in the State of New York, but an examination of the titles showed such material difficulties that nothing could safely be done; but we think now the indications are that the arrangements may soon be completed as before agreed upon.

You will have noticed that our manufacturers have very considerably increased their works, showing their appreciation of the value of the water-power over steam-power, and on this point they have had a large experience; for owing to the accumulations and consequent shutting out a full supply of water they have had to resort to steam, and know it is by many times the most expensive motive power.

The extreme rise of the Mississippi River, as compared with streams flowing from mountainous countries, is so small that no difficulty is experienced in having and keep-

ing perfect control of it, and making it an even, constant, and effective power in all stages of the river. It will be perceived that any proposition (as seems to be contemplated in your letter referred to) made by us in the present condition of affairs could only be a contingent one.

Our plans and calculations as to future improvements have always been based on owning and occupying the power at both ends of the dam, but the new phase presented by the government, of taking entire possession of the island side, and using the power, suggests that any expenditures for further and more permanent improvement should be done *jointly*, and to this end the parties here who have negotiated for and intended the purchase of this property as soon as the titles are made right, have authorized me to say they will surrender all their claims to the island side of the dam, and join in all *further* improvements upon any basis which shall be equitable and just to the parties in interest.

In closing, we would respectfully desire to communicate through you to the department that the suggestion of taking away the dam, and altogether destroying the water-power would, if carried out, be not only a great calamity to the town of Moline, but a direct blow to manufacturing interests in this part of the country; and besides, would cost the government in damages many times as much as would be required to make this water-power of the most permanent and efficient character and so improve it as to secure, beyond question, entire exemption from all local causes of unhealthiness to the island or its surroundings.

And would also call attention to the fact that it would impair the navigation of the rapids, which the authorities at Washington became satisfied was considerably improved by building the dam and forcing the water into the steamboat channel.

I am, very respectfully, your obedient servant,

CHARLES ATKINSON.

A true copy.

J. RODMAN,

Major of Ordnance, and Brevet Brigadier-General, United States Army.

APPENDIX VII.

ROCK ISLAND ARSENAL,
November 18, 1865.

P. R. REED, ESQ.,
Moline, Ill.

SIR: Pursuant to our conversation this morning, I request that you will inform me on the following points, viz:

1st. As to what damage your company would sustain by the entire removal of your dam.

2d. As to what remedy you propose to apply to prevent the gradual filling up of the slough, preserve the water-power, and secure a healthy flow of water through the slough channel.

3d. As to what will be the first cost of applying this remedy and what the annual cost thereafter.

4th. As to what proportion of this cost your company propose to bear in view of the United States having the right to use in perpetuity one-half of the power thus secured.

I am, sir, very respectfully, your obedient servant,

T. J. RODMAN,

Major of Ordnance and Brevet Brigadier-General, United States Army, Commanding.

APPENDIX VIII.

MOLINE, January 8, 1866.

General T. J. RODMAN:

DEAR SIR: In answer to your request that I would reply to your inquiries made of P. R. Reed, esq., permit me first to say that by the terms of the charter authorizing the building of a dam from the main shore to Rock Island, the *whole* water-power created thereby was granted to the builders and their assignees, the occupation of which has not only been acquiesced in and recognized by the government, but has been encouraged; and the owners are now willing to believe that the United States propose to impair these rights without making a fair equivalent.

The questions to Mr. Reed, as I understand them, are:

1st. What amount of damage will this company sustain by entire removal of dam?

2d. What remedy is proposed to prevent further accumulations, and what plans for further improvement?

3d. What will be the first cost and what annually thereafter?

4th. What proportions this company propose to bear, in view of the United States having the use in perpetuity of half the power?

My reply to the first question is, that the company are unwilling to name any sum for which they could agree that the dam may be removed and the water-power destroyed; for, besides to the great injury to its interests as a company, the damage to individual manufacturers (as I have ascertained by careful investigation) would be a no less sum than \$250,000, and the damage to the real estate in the town of Moline could not be estimated less than 50 per cent.; the value of which is indicated by the assessor's books to be over \$600,000. So that the actual damage sustained by its removal would be so many times more than the outside cost of putting it in the most perfect condition for use, and securing when needed a healthful flow of water, that it would seem ill advised and very much out of place to name any sum for which it could consent to an arrangement that would so effectually ruin the present and prospective manufacturing interests of Moline.

In answer to question No. 2, I would say the remedy always heretofore proposed to prevent further accumulations has been to extend the walls a proper distance down stream and fill across between these walls with piers and gates, so arranged as to be opened at pleasure, and thus create when opened a strong current through the whole channel.

Or, if the government adheres to the plan of occupying the whole island, (which I understand you is its present purpose,) and shall decide to use water-power, there would be no need of a wall on the island side, but let the water lay against the bank, and use it at the openings where the piers and gates touch the shore.

Or, in order to get the power still lower down and nearer to where the government shops are to be located, these piers and gates may be placed obliquely across from the lower end of lower wall to the shore and the power taken at the lower openings, which being so far down will secure the best head, and freest discharge of water from the wheels, and furnish power which will be permanent, reliable, and to an almost indefinite amount, and as safe as water-power can be made.

A portion of the upper end of the bar in the pond must be removed by artificial means, but the lighter part, (by a little stirring up,) as well as the accumulation below, will all wash out into the main river when the bridge openings are properly enlarged.

In answer to question No. 3, as to the first cost and annual expense hereafter, it is estimated that from fifty to a hundred thousand dollars can be judiciously expended on this water-power, which being done, it will be permanent, secure from flood or disaster, and of ample capacity for all government purposes; strengthen the capacity of the power on the Moline side, which now is the basis of the product of from one to two millions of dollars per annum of manufactured commodities per annum. After the first outlay, the annual expenses will be merely nominal.

The answer naturally suggested by question Number four would be that if government appropriate to itself the whole upper end of the island, and require this company to surrender to the United States the use in perpetuity of one-half the water-power created by their dam, it can well afford to make the improvement suggested, when by so doing it saves an actual damage of over half a million dollars, a permanent power is obtained for its own uses, and it aids to utilize natural forces rather than destroy, encourages rather than restrains manufacturing energies now so much needed, especially in the West.

Whereas the opposite course of removing the dam destroys its own water-power advantages, entails a heavy amount of real damage to manufacturing interests and small property-holders that are illy able to bear it, and whose claims to justice cannot fairly be ignored, and also seriously damages the navigation of the upper Rock Island chain, which by river men was regarded largely improved when the dam and wing were built. The expenditures I have suggested contemplate an extensive addition to the wing-dam, which will tend to help the navigation of the rapids in proportion to the distance it is carried up. Our twenty years' experience and practical knowledge in the matter give us a confidence which others less acquainted may not have, and which is indicated by the substantial improvements connected with the power.

In closing, allow me to say I believe the damage to navigation over the Rock Island chain alone would be more than is required to make all the improvements required.

I am, with great respect, your obedient servant,

CHAS. ATKINSON.

President Moline Water-Power Company.

APPENDIX IX.

ROCK ISLAND ARSENAL,
January 22, 1866.

SIR: With a view to compliance with your instructions dated November 14, 1865, I addressed to Mr. Reed, then agent for the water-power company, a letter, of which the inclosed (marked A) is a copy.

This letter was turned over to Mr. Atkinson, now president of the Moline Water-Power Company, a copy of whose reply (marked B) is also herewith inclosed. This letter will convey to you the views of the water-power company on the subject in question. Apart from and entirely independent of the views and estimates therein given, the following is an estimate of the cost of removing, by artificial means, all obstructions necessary to restore the flow of the natural quantity of water through the minor or slough-channel, viz :

To remove deposit in Moline Water-Power Company's dam.....	\$26, 000 00
To remove old dam, including deposit, brush, and other rubbish connected therewith	4, 000 00
<hr/>	
Total cost of removing all obstructions connected with the Moline Water-Power Company's dam.....	30, 000 00
To remove 200 feet of embankment of railroad contiguous to bridge....	1, 000 00
To remove 200 feet of embankment of wagon-road contiguous to bridge.	1, 000 00
To remove deposit above and below this embankment.....	4, 000 00
To extend wagon-road bridge over 200 feet of embankment removed, including abutments, piers, and bridge.....	5, 000 00
To extend railroad bridge over 200 feet of embankment removed, including abutments, piers, and bridge.....	8, 000 00
<hr/>	
Total cost of removal of all obstructions and preserving bridge to Rock Island City.....	49, 000 00

The views of the water-power company, as obtained from Mr. Atkinson in conversations had with him, as to the mode of removal of their old dam and the obstructions caused by it, are, first, to extend their wall down the stream, and near the Moline shore, 1,000 to 1,200 feet, and then extend the dam across to and at right angles with the island shore, placing sluice-gates and wheel-seats along both wall and dam, so that when the sluice-gates are all open their aggregate water-way will equal the width of the slough at its narrowest point above this dam. Then remove the old dam, the material of which he estimates will pay for its removal. Then open the sluice-gates in the new wall and dam, and let the water carry away the deposits in the old dam, aiding the operation, if necessary, by loosening up the deposit by artificial means; when, with the removal of the bridge embankments at the lower end of the slough, Mr. Atkinson anticipates that the water will carry away into the river below the island all deposits above the present dam, and that by opening these sluice-gates at intervals, say from Saturday night till Monday morning of each week, the slough channel will be kept free from deposit and a healthful flow of water through it secured.

In the soundness of these views, touching the removal of present deposits, I do not feel entire confidence, being apprehensive that the deposit now above the dam would lodge at different points along the slough below it.

In keeping the channel clean, however, after it shall have been once cleared, and at the same time preserving the water-power, I know of no more feasible plan than that proposed by Mr. Atkinson; and while I fully concur with him as to the importance of preserving the water-power, if it can be done and a healthful flow of water through the slough at the same time secured, I regard the former as secondary to the latter consideration.

Independent of clearing away present obstructions, old dam, &c., it is estimated that the new dam and wall, properly and substantially built of cut-stone, including sluice-gates and the means of operating them, will not cost less than \$75,000. And in view of the facts that the water-power company had exclusive control of that power and all matters connected therewith, and have enjoyed all profits since its origin, and that it is now rapidly declining in value, as well as obstructing the proper flow of water through the slough, and must soon become worthless as a water-power owing to accumulation of deposits, and of the want of absolute certainty attaching to the proper remedy; and of the additional facts that the government is not yet ready to avail itself of the water-power, and that it must in any event prepare to drive its machines by steam in order not to be stopped by failure of or accident to the water-power; it appears to me that the water-power company should, if they desire the immediate use of the power, proceed at once to build the new dam and walls, as above described; clear away their old dam and all other obstructions connected therewith, and fully test the efficiency and permanence of their proposed remedy. Then, if the remedy shall prove efficient and permanent, the United States should pay to the water-power company one-half of the cost of construction, with compound interest on that amount from the date of its expenditure by the company to the date of payment by the United States, and bear thereafter one-half of the expense of repairs

to the dam and wall, and have the right, in perpetuity, to use one-half of the power thus secured.

I am, sir, very respectfully, your obedient servant,

T. J. RODMAN,

Major Ordnance and Brevet Brigadier-General, U. S. A.

Major-General A. B. DYER,

Chief of Ordnance, Washington, D. C.

APPENDIX X.

OFFICE OF THE ROCK ISLAND COMMISSION,
Washington City, January 24, 1867.

The board having taken under further consideration the matter of the Moline Water-Power Company, finds it impracticable to determine, as a separate question, the damage sustained by that company in the taking of one-half of their water-power by the United States, because of the inseparable character of the interest thus acquired by the United States and that retained by the company.

The determination of this question of damage was, however, rendered unnecessary by the negotiating of a transfer of the entire water-power from the Moline Company to the United States, under the act of Congress of June 27, 1866, appropriating \$100,000 for the purpose of securing water-power at the head of Rock Island. After a full discussion with the president of the Moline Water-Power Company, the board agreed with him upon a basis for the settlement of all the questions pending between that company and the United States, and respectfully recommend its adoption by the War Department.

The basis agreed upon is as follows:

1. The Moline Water-Power Company to convey to the United States the fee of the entire Moline water-power, and also to grant to the United States the unrestricted use, in perpetuity, without charge, of so much of the bed of the river not already belonging to the United States as may be covered by the pool and wall necessary to develop the water-power, and ten feet outside of said wall, together with the right of access thereto from the Illinois shore at all times, for the purpose of constructing or of repairing said wall.

2. The government to develop and maintain the power, so far as it can be done with the money heretofore appropriated, and that which may hereafter be appropriated by Congress for that purpose.

3. The Moline Water-Power Company to have the use, in perpetuity, free from all charge for rent or repairs, of one-fourth of the entire water-power developed, and also the right to rent for a specified time, at the rate of fifty cents per annum per square inch of water-power, measured by openings of water-wheels, so much additional power as the Ordnance Department may deem expedient.

And, further, that the company, its lessees or assigns, shall have the right to place their wheels upon the ten feet outside the wall, provided that the foundation of said wall shall not be thereby disturbed nor the stability of the wall thereby endangered.

And also, further, that this granting to the United States of the unrestricted use of the pool, the wall, and the ten feet outside the wall, shall not be so construed as in any manner to operate as a bar to the free use and occupancy by the company, its lessees or assigns, of the same premises for all purposes connected with and incidental to the use of their use of their portion of the water-power, or such as may be leased by them, and such use shall not interfere with or obstruct the United States in the free use of its portion of the water-power.

4. The works to be built by the government for the development of the power to be so arranged as to give the company the free use of all the power herein contemplated to be used by the company, both as to the use of the fourth part, so far as may be practicable without impairing the power in use by the government to a disproportionate extent, and also to the proposed power to be leased. The openings in the dams intended for the use of the company to be of such size and in such position as the company may elect.

5. Sixty thousand dollars of the present appropriation to be applied to the extension of the present stone dam on the Moline side, and \$40,000 to the extension and repairs of the wing-dam and removal of such deposits as may be required for the extension and repairs of said wing-dam. The use of the present water-power shall not be unnecessarily obstructed during the construction of the proposed work, nor shall any rent be required until the improvement contemplated by the \$100,000 appropriation shall have been made.

6. It is also further understood that neither occupant of the above water-power shall have the right, nor shall allow others, to obstruct either pool or water-way by

sawdust, or bark, or other substances, to the detriment of the water-power or the sanitary condition of the vicinity.

All of which is respectfully submitted.

J. M. SCHOFIELD,
Major-General,
JAMES BARNES,
SELDEN M. CHURCH,
Commissioners.

APPENDIX XI.

JOINT RESOLUTION to enable the Secretary of War to carry out an agreement in relation to water-power for the arsenal at Rock Island.

Be it resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of War be, and he is hereby, authorized and empowered to carry into effect the recommendations of the commissioners appointed under the acts of April 19, 1864, and June 27, 1866, relative to the Moline Water Company and the water-power at Rock Island, Illinois, as contained in the report of said commissioners, and to make application for that purpose of the money heretofore appropriated for securing water-power at the head of Rock Island.

Approved March 2, 1867.

(United States Statutes at Large, volume 14, page 573.)

APPENDIX XII.

This agreement, made between Ulysses S. Grant, acting Secretary of War, acting under authority of the joint resolution of Congress approved March 2, 1867, for and in behalf of the United States of America, and the Moline Water-Power Company of Illinois, by Charles Atkinson, its president, witnesseth:

First. The Moline Water-Power Company, for the consideration hereinafter mentioned, hereby conveys in fee to the United States of America their entire water-power with the free and unrestricted use by the said United States of so much of the bed of the Mississippi River as may be required for the further development of said water-power, which development, together with the maintenance of that power, is to be done by the United States out of the appropriation applicable to those purposes and of any future appropriations that may be made applicable to the same.

Second. The United States of America hereby grants to the Moline Water-Power Company the right of the free use of one-fourth of their entire water-power above conveyed, and the privilege of renting for a specified time, at the rate of fifty cents per annum per square inch, so much additional water-power as the Secretary of War may deem it expedient to authorize to be rented, and also agree to arrange the Government works for the developing the water-power in such manner as to enable the Moline Water-Power Company to avail itself of the right and privilege above mentioned.

Third. The United States of America hereby agrees to apply \$40,000, or so much thereof as the War Department may consider necessary, to complete the wing-dam, and the residue of the appropriation of \$100,000 to the extension of the dam on the Moline side; and, further, not to obstruct unnecessarily the use of the present water-power during the execution of the work above stated, nor to require the payment of any rent until the improvement contemplated thereby shall have been made as far as the expenditure of the \$100,000 will permit.

Fourth. It is mutually agreed between the Moline Water-Power Company and the United States of America that neither of them shall at any time make any obstruction of the water-power as now existing or hereafter to be developed. It being further understood that this agreement is for the purpose of carrying out the recommendation of the commissioners appointed under the acts of April 19, 1864, and June 27, 1866, relative to the Moline Water-Power Company and water-power at Rock Island, Illinois, and that the recommendation of said commissioners now on file in the War Department at Washington City is regarded as part of this agreement.

In testimony of the foregoing, we, the undersigned, U. S. Grant, Acting Secretary of War, acting for and in behalf of the United States of America, and under authority of the joint resolution of Congress approved March 2, 1867, and Charles Atkinson, president of the Moline Water-Power Company, acting for and in behalf of the company, have hereunto set our hands and seals, at the place and date set opposite to each, respectively.

[SEAL.]

U. S. GRANT,
Secretary of War *ad interim*.

WASHINGTON, D. C., August 20, 1867.

[SEAL.]

CHARLES ATKINSON,
President Moline Water-Power Company.

MOLINE, ILL., June 18, 1867.

APPENDIX XIII.

ROCK ISLAND ARSENAL, *August 5, 1868.*

SIR: I find in carrying into practical effect the contract between the United States and the Moline Water-Power Company, including the recommendations of the commission appointed under the acts of Congress approved April 19, 1864, and June 27, 1866, the following points, which seem not to be clearly understood by the parties in interest, and which ought, in my judgment, to be definitely settled and understood while the parties to said agreement and the commissioners who made the recommendations are still living and accessible, viz:

1st. To what extent are the United States to develop the water-power conveyed them by the Moline Water-Power Company? Are they to clean out and deepen the tail-race as outlet for the water used by the company? Are they to put in a temporary bulkhead to enable the Water-Power Company to use its share of the power that would be thus developed, pending the complete permanent development by the United States of the entire water-power? And in case the company shall be permitted to, and does, put in such bulkhead, shall it be required to remove it when the United States shall require its removal? Are the United States to put in gates for opening and closing the water-way left in the permanent stone dam for use of the company?

2d. In article first of the agreement between the United States and the Moline Water-Power Company, that company conveys in fee to the United States of America their entire water-power. In article third of said agreement the United States of America grants to the Moline Water-Power Company the right of the free use of one-fourth of their entire water-power above conveyed. Article fourth of same agreement states it to be further understood that this agreement is for the purpose of carrying out the recommendations of the commissioners appointed under the acts of April 19, 1864, and June 27, 1866, relative to the Moline Water-Power Company and water-power at Rock Island, Illinois, and that the recommendations of said commissioners now on file in the War Department at Washington City are regarded as part of this agreement.

The commissioners above referred to, in article third of their recommendations, recommend that the Moline Water-Power Company shall have the use in perpetuity, free from all charge for rent or repairs, of one-fourth of the entire water-power developed. The United States took possession of, paid for, and now own the water-power developed and formerly owned by D. B. Sears. This water-power is supplied with water from the same pool as the Moline water-power, and the same works that develop one develop the other; and Mr. Sears informs me that he always considered that he was entitled to half of the water that came into the common pool. Now, the questions growing out of the point above stated are, first, What was the true intent and meaning of the expression "one-fourth of the entire water-power developed," used by the commissioners? Did it mean that the Moline Water-Power Company was to have one-fourth of the Sears water-power in addition to the one-fourth of that conveyed by the company to the United States? Or did it mean that the company was to have one-fourth of the entire power which they had conveyed to the United States after it had been developed by the United States, in whatever manner or to whatever extent? Or did it mean that the company was to have one-fourth of the entire power which they have conveyed, as it should be developed by the United States, in the vicinity of their works? In other words, in what manner is the quantity of water which the company is to have to be determined?

3d. The United States have granted to the Water-Power Company the privilege of renting for a specified time, at the rate of fifty cents per annum per square inch, so much additional water-power as the Secretary of War may deem it expedient to authorize to be rented, and also agrees to arrange the Government works for developing the water-power in such manner as to enable the Moline Water-Power Company to avail itself of the right and privilege above mentioned. In locating the permanent stone dam as far down below the company's works as will enable them to draw off and use their portion of the power, I have so placed it as to leave the company fully one-fourth of the bed of the river for the escape of their tail-water.

In extending the dam down stream, it will be necessary, should the Secretary of War deem it expedient to rent additional power to the company, to so locate the dam as to give increased water-way for the escape of the increased amount of water that would be used by the company in proportion to the amount of power so rented and used; but should the United States so locate their dam, it will so contract their water-way as to deprive them of the ability to use their entire water-power when they may desire to do so, and when it may be of the utmost importance that they should do so. This is on the supposition that the development of the water-power is effected by extending the stone dam down the bed of the river to the point (1) on the accompanying plan, on the island shore, where the United States will take off their power. Another mode of development, and one which I prefer, if it can be effected at about

the same cost, is to curve the dam to the left as it extends down stream, and abut it against the Illinois shore at the point, (2,) and cut a canal from this point across the tongue of land to the point (3) for the escape of the company's tail-water, and building a dam wall with a sufficient number of water-ways in it to take off the entire water-power, including the company's share thereof, when required, from the point (1) on the island to the point (4) on the Illinois shore. This canal would save the building of about 1,500 feet of stone dam, and if made 200 feet wide would, it is estimated, cost about the same sum of money as the 1,500 feet of wall. The conformation of the river at this point is such that, by this mode of development and increasing the width of the canal, the United States might, if deemed expedient, rent a very considerable amount of power when not required, and still be able to resume the use of this entire power at the point (1) when required, together with that of the company, should the exigencies of war ever render it necessary or desirable to do so.

It is agreed in article four of agreement between the United States and the Moline Water-Power Company that neither of them shall at any time make any obstruction of the water-power as now existing or hereafter to be developed. Does or does not this article exclude the harboring in the common pool of saw-logs or other material that will tend to fill up the dam or obstruct the flow of water past the company's works on its way to the point of utilization by the United States?

T. J. RODMAN,

Lieutenant Colonel Ordnance, Bvt. Brig. Gen., U. S. A.

Bvt. Maj. Gen. A. B. DYER,

Chief of Ordnance, Washington, D. C.

APPENDIX XIV.

MOLINE, October 20, 1868.

SIR: The communication of yourself to Chief of Ordnance submitted to this company for information and remark, together with your accompanying note, having been received, and the subject-matter considered by the directors of the company, is, in accordance with your request and in compliance with their direction, herewith returned with a few brief remarks, namely:

1st. Congress having understood the nature and import of the transaction between the company and the United States, accepted the recommendation of the commission, and in accordance therewith made special appropriations of money to carry the same into effect; and this company having promptly, and in good faith, performed its part of the agreement, by conveying the fee of their water-power, which was accepted and taken possession of by the United States, they feel that they have no other alternative but to refer to Congress any matter of controversy in the premises that may arise between them and the War Department, relying confidently on that body to carry out the spirit and understanding of that agreement.

2d. As to the matter of dividing the water-power, this company will hold itself in readiness at any suitable time to act with the government in making an equitable division, but does not perceive how anything in that direction can properly be done until the power is developed; and without replying to the opinion introduced of Mr. D. B. Sears, as to his rights, and by inference to theirs, they would take this occasion to say, that they at all times claim under the contract and understanding of the agreement, that they are entitled to the free use in perpetuity of one full quarter of all the power that can be produced from the water that will pass into the pool between the island and the main shore, with all obstructions removed; and they expect and claim, under the contract, that the United States should arrange its works, as well with reference to renting water-power, as to that which the company have a right to use in perpetuity free of rent or repairs.

3d. Regarding plans of adapting the water-power to suit the location of government shops on the island, it probably is not expected, and they deem it somewhat out of place at this time, to express any opinion on that subject other than to say that they cannot consent to any arrangement to an end that will tend to impair or embarrass their rights under the agreement.

The 4th article of the agreement, and the 6th article of the recommendation of the commission, both having reference to the same subject, is understood by this company to mean that the government will not place or permit any substance to remain in the pool or water-way to the detriment of the water-power; therefore requiring, under the contract, that the United States should clear out and deepen the tail-race to an extent that may be necessary to secure an easy and free discharge of the tail-water from the wheels of the company, its lessees and assigns; and also to remove the accumulations of sand, mud, or other substances in the entrance to, and within the pool, so that all the water necessary to a complete and full development of the entire water-power can pass in between the island and main shore.

In reference to the matter of bulkhead and gates at openings, it is understood by this company that, when the United States accepted from them the fee of their water-power, and took possession of the same, it was an agreement on the part of the government that it would make and maintain all improvements, repairs, and things necessary for and pertaining to the delivery of water upon the water-wheels of the company, its lessees and assigns, without any unnecessary delay after appropriations had been made, and it is certain that the transfer and conveyance of the water-power belonging to this company would not have been made to the United States, or consented to, without such understanding on their part. It is desired that this reply accompany your letter to Chief of Ordnance.

With great respect, I am, your obedient servant,

CHARLES ATKINSON,
President Moline Water-Power Company.

Bvt. Brig. Gen. T. J. RODMAN,
Rock Island Arsenal.

The undersigned directors and stockholders in the Moline Water-Power Company fully indorse the above communication as containing their views and expressing their understanding of the subject considered.

J. M. GOULD.
JOHN GOOD.
S. W. WHEELLOCK.
D. C. DIMOCK.
JOHN DEERE.
C. H. DEERE.
J. S. KEATOR.

APPENDIX XV.

ROCKFORD, January 20, 1869.

DEAR SIR: I received a few days since, inclosed from your office, a communication from General Rodman to yourself, and also a letter from Mr. Charles Atkinson in relation to the Moline Water-Power Company, with a request that I would give a statement of what I considered the true meaning and intent of the commissioners with regard to the points at issue. In replying I beg leave to say that if I had been furnished a copy of the agreement between the United States and the Moline Company, and the report of the commissioners thereon, it might have refreshed my recollection on some of the points. As it is, I can only give an opinion based upon my general recollection of what transpired before the commissioners, and the nature of the transaction; and, in doing so, will follow the order in the accompanying abstract of General Rodman's letter.

1st. The United States were first to build the dam a certain length, (do not recollect the exact distance,) but the height, length, breadth, number, and size of openings, and everything relating to its dimensions, manner of construction, and location were agreed upon between Mr. Atkinson, acting in behalf of the Moline Company, the commissioners, and General Rodman. The balance of the appropriation that had been previously made by Congress, after deducting the cost of the dam, was to be expended in removing the sand and other sediment that had already accumulated above the company's then present dam. This extension was intended and was supposed to be of sufficient length to enable the company to draw and use the full one-fourth part of the water and water-power created by the dam as proposed to be built, and being the amount they were to receive in consideration of their transfer of the fee of their water-power to the United States.

The further development of the power, being for the interest of the United States, was to be determined by the necessities of the War Department and the future action of Congress.

The temporary bulkhead to enable the company to use the power pending its complete development of the power, was to be put in by the company, and be by them removed when the improvement, as contemplated, should be completed and water-power be required for use by the United States.

The United States are bound to close any openings in the dams not in use by the company, as it is only by keeping these closed that the full power or head of water can be maintained. But the gates that let on and shut off water from the wheels of the company is a part of the machinery by which they make their power available, and in which the United States have no interest and with which they have nothing to do.

It is my understanding that the obligations of the United States are limited to the building and keeping in repair the dam, and in removing the deposits from the pool, and beyond this and outside of this they are not chargeable. This will indicate my understanding of the agreement in relation to cleaning out and deepening the tail-

race. It is no part of the dam; it really adds no power to the water in the dam; it is a means by which the company avail themselves of all the power the United States have created at that particular point; and to my mind there is as much propriety in requiring the United States to blast out and sink their wheel-pits as their tail-race.

The using the water after it is held in the pool by the dam is entirely under the control of the company, except so far as no damage shall be done to the works of the United States, and they may go to such expense as they may judge to be to their interest.

The questions involved in the second article of the abstract were not, as I recollect, specifically raised before the commissioners. But it appears to me that their action in relation to the Sears power, and the principle upon which it was decided, clearly indicates their ideas of the rights of the Moline Company.

In determining the claim of Mr. Sears, as to the value of his interests, the cost of the dam, the water in use and its value, the amount of water available at that point not in use and its value, were all regarded as legitimate items in arriving at the compensation he was entitled to, thus, and I think correctly, recognizing it as an entire and independent water-power, and entitled as a water-power to the value of all the water that could be discharged through that dam. The same principle is, in my view, applicable to the Moline power.

It is true that the construction of the Sears dam was largely beneficial to the Moline water-power. It is also true that the Moline dam is largely beneficial to the Sears power; but these benefits are purely incidental, and in no sense were they the objects the owner had in view in their construction. The most that can be said of the respective ownership is that the right to draw water from the pool was a right held in common, that each might use at pleasure on his own premises, or either could have abandoned his power or have removed his dam without being amenable to the other. The United States, having purchased the Sears power, hold it as entirely independent of the Moline Company as did Mr. Sears himself. They may use all the water they can discharge on that side of the island, or they may abandon it altogether and suffer it to go to decay, and the Moline Company would have no cause to complain.

The agreement with the Moline Company had reference only to the power created by the dam at Moline, and regarding it, as I do and did at the time, as an entirely independent power, I am clearly of the opinion that the Moline Company are entitled to the one-fourth of the water-power developed by the dam as proposed to be built at that point; or, in other words, one-fourth of the power from the water that can be drawn through the dam and discharged on that side of the island.

My recollection of article 4 is that it prohibits either party from obstructing or using the pool to the detriment of the other.

Asking to be excused for my prolixity, I am your obedient servant,

SELDEN M. CHURCH.

Bvt. Maj. Gen. A. B. DYER,
Chief of Ordnance.

APPENDIX XVI.

SPRINGFIELD, MASS., January 25, 1869.

SIR: I have the honor to acknowledge the receipt of your communication of the 12th inst., transmitting copies of papers submitted by the Ordnance Bureau to the War Department concerning certain questions that have been raised as to the correct meaning of certain words in the report of the commission for settling the claims to property at Rock Island, of which I was a member, and requesting that I give a statement of what I considered, at the time of making the report, the true meaning and intent of the commissioners with regard to the points at issue.

1. It was understood that there was no obligation on the part of the United States to deepen the tail-race or outlet for the portion of water-power used by the company; but if the stone forming the bed of the stream at that point should prove to be of suitable quality for building the dam, the United States could use it for that purpose. It was not intended in the agreement to express any obligation on the part of the United States to erect a temporary bulkhead to enable the company to use its water-power pending complete developments; the company could do so, but must remove it whenever required by the United States.

It was understood that the United States were to put up gates for opening and closing water-gate left in the permanent dam for the use of the company.

2. The true intent and meaning of the expression "one-fourth of the entire water-power developed," as used by the commissioners, I understood to be, that the company was to have one-fourth ($\frac{1}{4}$) of the entire power which they had conveyed to the United States after it had been developed by the United States, in whatever manner and to whatever extent. It was not intended to include one-fourth ($\frac{1}{4}$) of the Sears water-power in addition to the one-fourth of that conveyed by the company to the United States.

3. Not being furnished with tracings alluded to, I am unable to make suggestions as to location of the dam and works.

4. It was not intended by article 4 of the agreement to exclude the United States from using the pool for its own purposes.

In regard to removing accumulations of sand, mud, &c., in the pool, it was understood that the United States would clear out the existing sand-bar in the pool so far as it could make use of the sand for its own purposes.

I am, very respectfully, your obedient servant,

JAMES BARNES. }

T. I. TREADWELL,

Brevet Lieutenant-Colonel and Major of Ordnance, Washington, D. C.

APPENDIX XVII.

WASHINGTON, D. C., February 16, 1869.

SIR: In obedience to your verbal instructions, and after having read and carefully considered the recommendations of the board of commissioners and the agreement between the United States and the Moline Water-Power Company explanatory of and for carrying into effect said recommendations, together with letters of Selden M. Church, dated January 20, 1869, and James Barnes, dated January 25, 1869, (said Church and Barnes having both been members of said commission, and said letters being explanatory of their views and understanding as to the true intent and meaning of the recommendations of said board of commissioners, looking to an agreement to be entered into between the United States and the Moline Water-Power Company,) I have the honor to submit the following as my views of the equity of the case:

First. The United States, having already complied with their obligations to the Moline Water-Power Company as to the development of wing-dam, are yet to extend the stone dam, so as to enable the company to utilize their portion of the water or water-power, including that which the Secretary of War shall deem expedient at any time to rent to the company; to remove the old dam and other deposits of sand, mud, &c. from the pool above the old dam; and to close the water-ways in said stone dam with gates, for retaining the water in the pool or letting it through the dam at will. The company to deepen their own tail-race and put in temporary bulkhead, should they so desire, at their own cost, and remove it when so required by the United States after the complete development of the water-power by the United States.

Second. The water coming into the common pool to be divided between the Sears water-power and the Moline water-power, in the ratio of the width of the channel between Benham's Island and Rock Island to that of the channel between Rock Island and the Illinois shore at the site of the company's old dam; the company to be entitled to the use in perpetuity, free of charge, of one-fourth part of the water or water-power thus allotted to the last-named channel, after it shall have been developed by the United States in the manner hereinbefore stated.

Third. The location of the stone dam is believed to be fair and equitable, and should therefore be approved.

Fourth. Neither the United States nor the Moline Water-Power Company have the right to in any manner obstruct the flow of water in or fill up the pool to the detriment of the other.

Fifth. If the Moline Water Power Company will grant to the United States, free of charge, the right of way for a tail-race to carry the company's tail-water across the company's land, and the right to take and use such portion of the excavated material from said race as the United States may require for diking the shores of the pool to prevent overflow of the company's land and of Rock Island, and the right to transport said material across and over the company's land, and the right to abut the United States dam against the company's land at the upper end of said tail-race and at another point opposite or near to that on the island of Rock Island, at which the United States may utilize their portion of the water, then the United States shall commence the further development of water-power as soon as the stage of water will permit and at such point along the line of development as the company may indicate, and prosecute said development, including removal of old dam and bulkhead and deposits of mud, &c., above old dam, as rapidly as the stage of water and the funds on hand and that which may be hereafter appropriated and made applicable to that purpose will admit.

The increased cost to the United States of developing as desired by the company, and the advantages to be derived by the company and the United States from the canal mode of development, seem to me to render the last proposition just and fair.

Very respectfully, &c.,

T. J. RODMAN,

Brevet Brigadier-General, United States Army.

General J. M. SCHOFIELD,
Secretary of War.

APPENDIX XVIII.

WASHINGTON, D. C., March 17, 1869.

SIR: I have considered General Rodman's letter of 13th instant, which you referred to me, and have to make the following statement as to my understanding of the report of the Rock Island commission on the subject of the Moline Water-Power Company:

The United States are *not* to deepen the tail-race for the portion of the power to be used by the Moline company, and are *not* to put in any temporary bulkhead for the company.

If the company put in one, they (the company) should remove it when the permanent dam is completed.

Gates would seem to be a part of the permanent dam, and (unless otherwise specified in the contract) should be put up by the United States.

The "one-fourth" to which the company is entitled does *not* include any part of the water-power purchased by Mr. Sears. The company is entitled to one-fourth of the water-power which may be developed *between Rock Island and the Illinois shore*.

The dam should be so located that (as a general rule) the distance of any point of the dam from the two opposite shores may be proportionate to the quantities of water to be discharged above and below that point.

Article 4 prohibits either party from harboring logs in the pool to such extent as to obstruct the free flow of water to the portion of the dam used by the other.

Very respectfully, your obedient servant,

J. M. SCHOFIELD,
Major-General.

Brev. Lieut. Col. T. S. TREADWELL,
In charge of Ordnance Bureau.

APPENDIX XIX.

Whereas the Moline Water Power Company of Moline, Rock Island County, Illinois, entered into agreement with the United States, under dates June and August, 1867, by which they transferred to the United States their entire interest in the water-power at Moline, Illinois, in consideration that the United States should make and maintain improvements necessary to the development of the same, and grant to said company the use in perpetuity of one-fourth part of the entire power developed and the further right to rent power upon conditions named in said agreement; and

Whereas in the prosecution of the development of that portion of the water-power contemplated to be used by the United States it is deemed necessary, for the more complete development and convenient use, that a portion of land owned by said company is required for a tail-race to carry off the tail-water of such portion of the water-power as the said company may use, and also that the United States should have the right to abut a dam and a wall against land owned by said company:

Now, therefore, for the purpose of facilitating the plans and purposes and of acting in the spirit of harmony and liberality toward the United States, the said Moline Water-Power Company hereby agrees to the following, viz:

1st. That they will grant and cede to the United States the right of way over and through their land for said tail-race, which is to be of sufficient capacity for the purpose named, free of cost, and will also cede, free of cost, the right to abut a dam and wall against their land at two such points as the United States may select.

2d. That the United States shall construct and maintain a wagon-bridge for the use of said company over and across said tail-race at such point as shall be designated by said company, and make suitable dikes to prevent overflow of said company's land. The United States shall be entitled to the building stone excavated from said tail-race and half the amount of excavated earth remaining after diking, with the right to remove the same over the company's land.

3d. The United States shall resume as early the present season as the stage of water will permit the development and prosecute to completion, according to the agreement, the upper portion of the water-power and the removal of deposits in the pool, and permit the company, if they should desire, to put in a bulkhead at the lower end of the wall built last season and attach the same to the shore of Rock Island, and remove the same when the development of water-power is completed.

4th. This agreement to cede the land for tail-race and abutting dam and wall free of cost is to continue but two years from this date, and the United States Government is to have the right to enter upon the premises for the purpose of going on with the work any time within the two years by notifying the company that the canal mode of development has been adopted, and upon the completion by the United States of the conditions herein named as to the said upper portion, this company binds itself, its

successors and assigns, to cede and convey to the United States the premises and privileges hereinbefore named, and also the right to discharge into the company's tail-race the surface-water from the island of Rock Island.

In testimony of the foregoing we, the undersigned, John A. Rawlins, Secretary of War, acting for and in behalf of the United States of America, and under the authority of the joint resolution of Congress approved March 2, 1867, and Charles Atkinson, president of the Moline Water-Power Company, acting for and in behalf of the company, have hereunto set our hands and seals at the place and date set opposite to each respectively.

[SEAL.]

JOHN A. RAWLINS,
Secretary of War.

WASHINGTON, D. C., April 8, A. D. 1869.

[SEAL.]

CHAS. ATKINSON,
President Moline Water-Power Company.

WASHINGTON, D. C., April 8, 1869.

APPENDIX XX.

ROCK ISLAND ARSENAL, August 11, 1870.

DEAR SIR: Yours of the 8th instant, inclosing a copy of a letter from Charles Atkinson, president of the Moline Water-Power Company, with a copy of an indorsement thereon by the Secretary of War, and directing me to report my views upon the subject, is received, and I have the honor to report as follows:

I do not know certainly to what Mr. Atkinson refers, in stating that he does not consider that the conditions of the agreement of April 9, 1869, (it should be April 8, 1869,) between the Secretary and himself have been entirely fulfilled; but I presume he refers to what sediment still remains in the water-power pool. Nor do I certainly know to what contemplated changes he refers as likely to affect seriously the interests of the company of which he is president; but I presume he refers to the building of an embankment from the lower end of the present dam-wall to the upper end of the proposed canal, as approved by the Secretary of War last winter, instead of continuing the dam-wall down to head of canal. I have certainly completed the development of the upper end of the dam-wall, including thirty-seven openings with gates, and means of opening and closing them.

I have also removed, or intended to remove, the sediment from the pool as far as it could be advantageously done by dredging; and am now having a survey of the pool made in order to see just what amount of sediment still remains in it. And as neither the agreement above referred to, nor the original agreement, state to what extent sediments should be removed, I had intended to submit the survey above referred to to the department for its decision as to whether or not the United States should further prosecute the removal of sediment from said pool.

Neither of said agreements state in what manner or to what extent the United States shall develop the water-power.

Article 4 of the agreement of April 8th, above referred to, reads as follows, viz:

"This agreement to cede the land for tail-race, and abutting dam and wall free of cost, is to continue but two years from this date; and the United States Government is to have the right to enter upon the premises for the purpose of going on with the work any time within the two years, by notifying the company that the canal mode of development has been adopted, and upon the completion by the United States of the conditions herein named, as to said upper portion, this company binds itself, its successors, and assigns, to cede and convey to the United States the premises and privileges hereinbefore named, and also the right to discharge into the company's tail-race the surface-water from the island of Rock Island."

Now, I understand the first clause of this article to authorize the United States to enter upon the lands of the company for the purpose of going on with the work of development of water-power at any time within two years from the date of the agreement, without any other condition except that the United States were to notify the company that the canal mode of development had been adopted.

The second clause of this article requires the United States to fulfill the conditions cited in article 3 of same agreement, before they can claim from the company a deed to the premises occupied by the canal; but there is no time stated within which these conditions shall be fulfilled.

I consider that the United States are bound in equity to develop the water-power in a reasonably substantial manner and to a reasonable extent, and that they have the right to accomplish this end in such a manner as they may choose.

On the receipt of advice from the Chief of Ordnance that an appropriation of money for the further development of water-power at this arsenal had been made by Congress, I notified the water-power company that the canal mode of development

had been adopted by the Secretary of War, and entered upon the lands of the water-power company and commenced work. The work above referred to will cease, until further orders, this evening.

The season is already far advanced, the stage of water in the river and the weather are now favorable for the prosecution of this work, and every day lost will be detrimental to the public interest.

T. J. RODMAN,

Lieutenant-Colonel of Ordnance, Commanding.

Brig. Gen. A. B. DYER,

Chief of Ordnance, Washington, D. C.

APPENDIX XXI.

MOLINE, Saturday Evening, August 13, 1870.

SIR: I have the honor to inclose herewith a copy of preamble and resolutions passed at a late hour this afternoon by the board of directors of the Moline Water-Power Company, after a pretty full and free discussion of the subject-matter therein contained.

As far as I know, or am advised, the members of this company are disposed to meet all questions that may arise between it and the United States in the spirit of fairness and liberality.

I am fully aware that questions affecting the interest of one side or the other may often arise, perhaps oftener than will be entirely agreeable, yet I can see no way to avoid it so long as a condition akin to partnership exists between the United States and the water-power company. I have at times thought it would be very desirable for both sides that a division be made if it could be done satisfactorily, so that each may know his own and the relative position of the other.

I trust the action of our directors will receive at your hands usual deliberation and kind appreciation, and that all questions and matters pertaining to the subject may be speedily adjusted to mutual satisfaction.

I am instructed to say a committee from our board will be pleased to meet you at such time and place Monday as you may indicate.

With much respect, I am, very truly, your obedient servant,

CHARLES ATKINSON,

President Moline Water-Power Company.

General T. J. RODMAN.

Special meeting of the board of directors of the Moline Water-Power Company, held at the First National Bank of Moline, August 13, 1870.

Present: John Deere, S. W. Wheelock, J. M. Gould, D. C. Dimock, J. S. Keator, and Charles Atkinson.

On motion of John Deere, seconded by J. S. Keator, the following preamble and resolutions were unanimously adopted:

Whereas the motives and inducements of this company in making the agreement of April 8, 1869, to cede the right of way to the United States for a canal across their lands and abutting dams thereto, were to secure the early completion and full development of the upper portion of the water-power at Moline, so that, if it should decide at its own expense to build a bulkhead from the wall to the island, it could enjoy continuous use and possession of water-power in order to supply its lessees; and whereas the conditions of said agreement have not been entirely fulfilled on the part of the United States; and whereas this company intends to continue to act in the spirit of liberality and fairness in all its transactions and dealings with the government; and whereas it has full confidence that, while the present commandant, General T. J. Rodman, has charge of the work of developing the water-power at the head of Rock Island, (in which the company has so large pecuniary interest,) not only the letter but the spirit and understanding of any and all agreements made between it and the United States will be carried out and fulfilled, but the ever-constant changes and liability to change of officers in the military department of the country, and the uncertainties and complications incident to such changes, make it apparent to this board of directors that, in endeavoring to care for and preserve the interests of the stockholders of this company, the policy of the United States, which requires fulfillment of agreements, should be their policy so far as the same can be carried out: Therefore it is

Resolved, That notwithstanding the non-fulfillment on the part of the United States Government of the agreement hereinbefore alluded to, this company is prepared to grant the United States permission to enter upon its premises, upon receiving satis-

factory assurances that it will be done, that its adjacent lands be properly protected, that the tail-race shall not be less than two hundred and fifty feet in width on the bottom, and of continuous grade with that portion of the race now being blasted out by this company, that the coffer-dams of the United States shall be so arranged as not to obstruct the use of this company's portion of the water-power, and that additional openings be made for wheels at such points as this company may direct between the lower end of the present wall and the shore, upon which the same is to be abutted.

And it is further resolved, That all the agreements relating to ceding right of way, &c., free of cost, was based on the understanding that the dam-wall to be continued to the shore was to be of the same character as that already built, yet this company will make no objection to change of plan that does not impair the value of its interest in the water-power.

CHARLES ATKINSON, *President.*
J. M. GOULD, *Secretary.*

APPENDIX XXII.

ROCK ISLAND ARSENAL, *August 16, 1870.*

SIR: Yours of the 13th instant, inclosing preamble and resolutions of your company, is received, and I tender to you and your company my cordial thanks for the flattering reference to myself therein made.

I have carefully read and considered the preamble and resolutions received, and find them so much at variance with my undertaking of the points referred to that I almost despair of ever being able to arrive at a satisfactory solution of the differences that seem to exist.

I, however, deem it proper that I should state my views as clearly as I can upon the subject, which are as follows:

The original agreement nowhere states either the extent to which the United States were to develop water-power, or the time within which that development should be completed, or the character of the work constituting the development, or the extent to which provision should be made for renting power to your company.

Under the original agreement the United States certainly had the right to prosecute work for the development of water-power at any point or at all points along the line of development, they being only bound to expend the one hundred thousand dollars then appropriated in the manner and at the points therein stated.

The agreement of April 8, 1869, did not in any wise affect or modify the rights of the United States as expressed in the original agreement, except that it bound them to assume, as early as the then present season as the stage of water would permit, the development, and prosecute to completion according to the agreement (meaning the original agreement) the upper portion of the water-power and the removal of deposits in the pool, and permit your company to put in a bulkhead and attach it to the island, and build and maintain a wagon-bridge across the tail-race, which was to be of sufficient capacity to carry off the tail-water of such portion of the water-power as your company might use, and build dikes to protect the company's lands against overflow.

But no time within which any of these things should be done is stated, nor is it stated what should constitute completion of the said upper portion and removal of deposits from the pool.

Work has been already commenced and prosecuted in good faith, and, in accordance with said agreement, the upper end of the dam-wall has been completed, including thirty-seven openings, with gates and means of opening and closing them, and a vast amount of sediment removed from the pool.

Your company has been permitted to put in the bulkhead and attach it to the island, and I am now, and have for some time past been, engaged in making a survey of the pool in order to ascertain what amount of deposit still remains in it, and where it is located, with a view to its removal should the War Department deem such removal necessary to the proper development of water-power, or to the fulfillment of existing agreements between that department and your company, and your company has been requested to assist in locating the dike for the protection of their lands against overflow by the water-power pool.

And your company has not been notified by the United States that they held that they had fulfilled the conditions cited in article 3 of the agreement of April 8, 1869.

The first clause of article 4 of the agreement secures to the United States the right to enter upon the lands of your company for the purpose of going on with the work of development of water-power at any time within two years from the date of the agreement, without any other condition than that they were to notify your company that the canal mode of development had been adopted: and it would have been competent to the United States to give your company the required notification and enter upon the premises and prosecute work there contemporaneously with or even before

commencing work in fulfillment of the conditions cited in article 3 of said agreement. I gave the required notification, and I therefore claim that the United States did rightfully enter upon and do now rightfully occupy the aforesaid premises.

The second clause of article 4, above referred to, requires the United States to fulfill the conditions cited in article 3 of same agreement before they can claim from your company a deed to the premises. I consider the United States bound in equity to your company to develop to a reasonable extent, and in a reasonable, substantial manner, the water-power which your company conveyed to them, and I have no doubt that they will so develop it, including a reasonable width and depth of canal to carry off the water used by your company, and the removal, to a reasonable extent, of the deposit in the pool; and I think your company should accept the character of the United States Government for fairness and liberality as a guarantee that they will do so. But the extent to which the United States should provide for renting power to your company I consider to be entirely at the option of the Secretary of War.

Article 3 of the original agreement is the only place in either agreement where any provision is made for the utilization of water-power pending the development thereof, and that article binds the United States not to unnecessarily obstruct the use of the then existing water-power pending the prosecution of work under the then existing appropriation of one hundred thousand dollars, and this has been fully complied with; nor am I aware of the existence of any understanding that the United States should incur any expense in making further provision for the utilization by your company of water-power pending the complete development thereof by the United States.

If your company is willing that the United States should resume work in accordance with the views above stated I will advise resumption; but if not, I shall refer your letter and inclosed preamble and resolutions, together with this reply and such other papers as may be necessary to a clear understanding of the case, to the Chief of Ordnance for the decision and instructions of the department; and pending the receipt of those instructions, as work was stopped by orders from the Secretary of War at your solicitation, and on your representation that the conditions of the agreement of April 8, 1869, had not been fully complied with, I will not resume work, nor must your company do anything to change the state of things existing between it and the United States at the date of the receipt of the order stopping work, not raising any gates or in any way interfering with the United States water-power or the property belonging to them and being upon the company's land.

I am, sir, very respectfully, your obedient servant,

T. J. RODMAN,

Lieutenant-Colonel of Ordnance, Commanding.

CHARLES ATKINSON, Esq.,

President Moline Water-Power Company.

APPENDIX XXIII.

MOLINE, August 19, 1870.

SIR: In accordance with your suggestion to-day to Mr. Wheelock, on consultation the Moline Water-Power Company withdraw their objection to the United States proceeding in the work of development of water-power upon the canal mode of development, consenting to refer matters of difference to the Secretary of War.

CHARLES ATKINSON,

President Moline Water-Power Company.

To General T. J. RODMAN.

APPENDIX XXIV.

OFFICE MOLINE WATER-POWER COMPANY,

Moline, Ill., April 1, 1875.

SIR: Feeling that you may not be familiar with the circumstances attending the transfer of water-power and contracts between the Moline Water-Power Company and the United States, permit me to present for your consideration a brief statement of the general acts and of the claims of the company.

During the season of 1866, prior to the Rock Island commission coming here, General Rodman had made known to the company the desire of government to possess itself of the whole water-power, and when the commission came several interviews were had with myself, acting for the company, and a very full discussion of the whole subject-matter took place; and at an adjourned meeting of the commission, held at Washington, the contract and agreement was consummated, as will appear by the report of the said commission submitted to the Secretary of War February 14, 1867, but the contract was not finally signed until August 16, 1867. It was understood by the company

that the development of the water-power meant and was to be such a development as would give the entire power of all the water that could be made to pass through that branch or portion of the river lying between the island of Rock Island and the Moline shore, and requiring, in order to maintain a suitable head of water in the pool, an extended wing-dam of proper height, and the entire removal of deposits then in the pool. It is the failure of the United States to perform its agreements that makes it a necessity for this company to call your attention to the matter at this time; and I would also say, in this connection, that this company have always felt that the assumption by the government that it must transfer its water-power possessions to the United States was arbitrary and coercive, and to which it would not have willingly yielded but for assurances of prompt and fair fulfillment of all promises, agreements, contracts, understandings, and obligations.

The failure in regard to wing-dam was that, instead of making it only of proper height to subserve its purpose in low water and extending it as far up stream as the appropriation would admit, a very large portion of the money (probably not less than two-thirds) was used in increasing the height and width of the wing-dam at its lower end entirely above any elevation of the least benefit whatever to the water-power on the Moline side of the island; and this use of the money was made against the repeated protests of the president of the Moline Water-Power Company that it was in direct violation of the whole understanding and agreement as to the way in which this \$40,000 should be expended.

It is well known that one of the principal inducements at the time of making the arrangements with the government was the extension of the wing-dam far up the river so as to maintain head in low water; from one and a half to three miles in length was talked about, and never less than the former distance. The commanding officer at the time was arbitrary in his decision as to how this money should be expended, and the company, feeling itself to be without remedy, were obliged to submit. Subsequent to suspension of work on wing-dam, General Rodman spoke of excavating a channel into the pool from the main channel of the river as a substitute for the further extension of the wing-dam, (except so far as the excavated material would go.) To this plan ready assent was given by the company, provided deposits were kept out of the excavated channel; but even this plan has not been carried out, or any move made in that direction; and as to removal of original deposits very little, if any, of the \$40,000 was used for this purpose. Nothing was done that season in removing deposits at the mouth of the pool. A second leading reason and inducement the company had in making the contract with the government was the removal of those deposits that had accumulated in the pool. This matter was fully discussed between the commission, General Rodman, and the president of the water-power company, and it was distinctly understood and agreed that the government was not only to remove the then present deposits of mud and sand from the pool, but were to keep it clear thereafter, it being agreed that the words "to maintain the power" carried with them the obligation to keep the pool open so that wheels could be fully supplied. It will be noticed that section 6 of commissioners' report provides that neither party shall have the right to obstruct the pool to the detriment of the water-power; yet the government has not only not performed its agreements in removal of old deposits, but has actually placed obstructions across the pool, and suffered the same to remain, (and which are not yet removed,) and thus help increase obstruction, to the manifest detriment of the water-power. In further consideration of this subject of removal of deposits, I call your attention to a special contract between this company and government, made April 8, 1869, which recognizes and refers in section 3 to the existing agreement to remove deposits in the pool, and makes special agreement to remove them that season as soon as the stage of water will permit, and yet it was not done that season, and has remained unaccomplished to this time, although Congress has made appropriation of money to carry out these existing contracts. The company therefore feel justified in complaining of the bad faith of government, that, having received transfer and taken possession of its property, it should continue to withhold fulfillment of its obligations, in consequence of which manufacturers in Moline depending on water-power have during several of the seasons of low water been obliged to almost entirely suspend operations for want of power, because water could not get into the pool; and for the same reason they have been obliged to entirely stop for nearly the whole of the past winter, thus as is seen materially damaging the interests of this company and placing the water-power in bad credit. The particular causes of complaint are that government has not constructed the wing-dam as was understood and agreed.

It has not excavated a channel into the pond as was proposed as a substitute.

It has not removed the deposits existing in the pool, as was agreed, and for which appropriations have been made.

It has failed to take away the obstruction that it placed across the pool to subserve its own interests when erecting the dam wall.

It has failed and neglected to remove deposits that have accumulated since the execution of the original contract, and which are yearly increasing to an alarming extent,

and which, if not provided against, must and will, in the nature of things, render the entire power worthless in the common low stages of water in the river.

In assurance that the company have not willingly let this matter be still and go by default, allow me to say that the attention of the commanding officers of Rock Island has been frequently called to the matter, and the company has more than once or twice determined to ask special aid of Congress; but at the solicitation of friends of the arsenal have deferred so asking, for the time, in order not to interfere with or jeopardize the getting of appropriations for the arsenal, hoping and being made to believe its time would come by and by, which now seems afar off.

It has been suggested to this company that the Ordnance Department, and perhaps Congress also, may have regarded the water-power so nearly finished that very little, if any, further appropriations would be needed in this direction. If this be so, it would be well for the Ordnance Department, and Congress also, to be apprised of what is well known here, that very large additional appropriations of money will be necessary to put the water-power into permanent condition to make it effective for government use and fulfill and keep its obligations to this company, and make it ready for transfer of power to the government shops.

Had a different policy obtained in the original plan of improvement of power and location of shops, as was advised in connection with the use of water-power, there is no doubt a very large part of the past and prospective expenditures could have been avoided, and probably with results just as good, if not really better; but the remedy may be too late now, and whatever policy may be held by the government on these questions, the water-power company cannot perceive why *its* interests, or the interests of large manufacturing establishments who have been induced (by the known arguments of government) to settle in Moline and become dependent on water-power, or the interests of operatives, who by toil and frugality have secured homes, should be made or permitted to suffer because of this policy or that policy of government, and it is unwilling to believe the government will willingly and knowingly insist in acts of bad faith and knowingly withhold fulfillment of contracts and obligations.

And, finally, the only apology that can be made for troubling you with this communication is the simple fact that this company made a fair contract with the government, after the fullest and most exhaustive discussion; that it has in good faith passed over its property to the United States, and that it now and ever shall insist that the government should fulfill its obligations in letter and in spirit, and regrets that it has not before pressed the matter, as is now proposed to do, before the Ordnance Department and by appeal to Congress, should it become necessary.

I am informed by Hon. I. M. Gould, secretary of this company, who was recently in Washington and had an interview with you on this subject, that you are expecting to be at Rock Island soon, and would probably stay long enough to become familiar with the arsenal and surroundings. I would be glad to know when you will be here, so that I can be at home, as I should be glad to meet you and talk over the matter in question.

With considerations of respect, I am, very truly, yours,

CHARLES ATKINSON,
President Moline Water-Power Company.

To General STEPHEN V. BENET,
Chief of Ordnance, Washington, D. C.

APPENDIX XXV.

OFFICE OF THE MOLINE WATER-POWER COMPANY, *Moline, Ill., May 8, 1877.*

GENTLEMEN: In behalf of the Moline Water-Power Company, I beg leave to present for your consideration the following statements in regard to questions, pertaining to the contract between the United States Government and this company, in relation to the development and maintenance of water-power.

As introductory, I would briefly say of the earlier history of the Moline water-power that it had, under various charters from the State of Illinois, been occupied and used by numerous parties for driving machinery from about 1840 or 1841 to August, 1867, the date of the contract between the Moline Water-Power Company and the United States Government. During that time, a period of twenty-six or twenty-seven years, government fully acquiesced in the possession of the entire water-power by said parties, and at one time during that period granted a lease of a piece of ground on the island for manufacturing purposes for a nominal sum, thus helping to foster manufacturing dependent on water-power already so well begun.

The present Moline Water-Power Company purchased the property embracing this power in 1865, and organized under a special charter granted by the legislature of the

State of Illinois, approved February 16, 1865, intending at no distant day to commence and carry out a plan of development that should be adequate to the wants of a manufacturing community.

During the season of 1866, prior to the visit to Rock Island of the commission appointed under acts of Congress approved April 19, 1864, and June 27, 1866, General T. J. Rodman, the then commandant, made known to this company the intention of government to establish large shops for the manufacture of arms and other war material, and to use water-power to propel their machinery, intimating, at several different interviews with myself, a desire to purchase for the government the company's one-half interest in the water-power, and at one time offered \$200,000 for it. As the company could not sell without a breach of faith with persons occupying and connected with the power, it declined considering any offers in that direction. General Rodman then suggested, as government intended to use water-power, and did not want any partnership in development, and would probably desire to make improvements of a more costly character than would come within the means of a private corporation, perhaps some arrangement could be made whereby the government would make the development, and the company have the use in perpetuity of a certain portion.

This was the commencement of negotiations which ultimately resulted in the contracts now under consideration.

The commission referred to came to Rock Island in the autumn of 1866, and negotiations began.

Before concluding anything it adjourned to meet at Washington January, 1867, at which time an agreement for a contract was entered into, as appears by report of said commission, February 14, 1867. The contract, however, was not signed until August 16, 1867.

Pending this final agreement the whole subject was very thoroughly and exhaustively discussed, both as to extent of development, removal of existing deposits, maintenance of the water-power, which was understood by all parties to mean keeping the pool open for full supply of water for wheels, as well as preservation of dam wall, and whatever else came within the scope of the words "to maintain."

The subject-matter of an extended wing-dam was also fully discussed and agreed upon as a necessity in development.

It is the failure of the United States to perform its agreements and fulfill its contracts with this company that has made it necessary to ask the intervention of Congress.

The company has always felt that it was an arbitrary assumption on the part of the government in insisting, as it did, that it (the company) must transfer its water-power possessions to the United States, which it certainly would never have done but for the most positive assurances by the commission of prompt and entire fulfillment of all promises, agreements, contracts, understandings, and obligations; the commission adding that the company ought to accept in good faith the promises of government. The first failure of government was in regard to the wing-dam; it was to have been extended up the river, so as to get an increased head. From one and a half to three miles was talked of; never less than the former, and of only such height as was necessary to retain the head in low water; but a very large portion of the first sum agreed upon, viz, \$40,000, for an extended wing-dam was used in building it high and wide at the lower end, and entirely above any elevation of the least benefit whatever to the water-power on the Moline side of the island, and this use of the money was made against repeated protests of myself, as president of the Moline Water-Power Company, that it was in direct violation of the understanding and agreement as to the manner in which this \$40,000 should be expended, and in apparent utter disregard of the company's interests.

One special inducement to enter into contract with government was a long wing-dam to increase the head. About the time the \$40,000 was said to be used up General Rodman proposed, as a substitute for the long wing-dam, to excavate a channel into the pool from the main channel of the river, but it was never done, or any move whatever made in that direction; nor was anything done that season in removing deposits from the pool. Another special reason for entering into the contract was the removal of the deposits already accumulated at the mouth of the pool, which was fully discussed and understood between the commission, the commandant, and myself; and it was also agreed and understood that the words "to maintain" carried with them all obligations to so keep the pool open for water to come in that wheels should be fully supplied at all times. Section 6 in original contract provides that neither party shall obstruct pool or water-way to the detriment of the water-power. Yet government has placed a coffer-dam across the pool and suffered a portion of the bottom of it to remain, to the detriment of the water-power. It also has left a large mass of stone at the mouth of the canal, obstructing the outflow of the tail-water in low stage, thus reducing head at the company's wheels. It has also deposited a large amount of stone (for protection) around the piers of the bridge leading from Rock Island to the arsenal, which sooner or later will result in like obstruction.

In further consideration of this subject of removal of deposits, I call your attention to the special contract of April 9, 1869, which recognizes and refers in section 3 to existing agreements to remove deposits in the pool, and the government agreeing therein to remove them that season as soon as the stage of water would permit. This not having been done that season, and remaining yet unaccomplished, the company feels not only justified in charging bad faith on government heretofore, but insists that it should no longer hold possession of property transferred to it by the company without full performance of this special consideration. The non-fulfillment of contracts by government has been extremely embarrassing and damaging to the interests of the company, and also to the interests of manufacturers who think they ought not to be made innocent victims because government does not fulfill its agreements. As an indication of the embarrassed condition of manufacturers using water-power, I would call your attention to a copy of a letter addressed to myself marked "Exhibit A," under date November 24, 1875.

Prior to January, 1869, discussion had arisen between the company and the commandant as to extent of development required under the contract. The company claimed such development as would give them one-quarter part of all the power that could be produced from the water that would pass into the pool between the island and main shore with all obstructions removed. Reference was had on the subject by letter to Selden M. Church and General Barnes, two of the commission, for their understanding of the contract; their answers are on file in the Ordnance Department. The particular causes of complaint are that government has not constructed the wing-dam as was understood and agreed.

It has not excavated the channel from deep water into the pool as was proposed to be done as a substitute.

It has not removed the deposits existing in the pool at the time of making the contract of April 8, 1869.

It has received transfer and taken and holds possession of the company's property without performing the consideration agreed upon.

It has violated the conditions of section 6 of original contract by leaving in the pool a part of the bottom of the coffer-dam, and in the water-way at mouth of the canal a mass of stone which holds back the tail-water and is a positive detriment to the power.

It has failed to maintain the water-power by its neglect to remove the annual accumulations in the pool since the execution of the contracts, and which have increased to an almost alarming extent, threatening at no distant day to make the entire power practically worthless for a considerable portion of the year. The accumulation of deposits at the entrance to the pool cover an extent of over 40 acres, and amount to from 133,000 to 150,000 cubic yards.

The company has been induced to remain quiet under these embarrassments at the suggestion and earnest solicitation of friends of the arsenal, who have feared that its insisting on its special claims might interfere with and jeopardize the getting of appropriations for the arsenal.

It has been suggested that Congress may have regarded the water-power so nearly completed that but little if any further appropriation would be needed for this purpose. If that be so, it seems as if it were but justice to let it be known that a very considerable additional amount is really needed to comply with contracts, to prepare it for government use, and to keep up proper maintenance. It has also been suggested to this company that it having thus far enjoyed the only use of the already large outlay for water-power it ought not to complain. In answer to this it is but justice to say that the contract with this company can only be chargeable with one-fourth part of the expenditure down to the lower end of the wall in which are gates for company use. Below that all the expenditures have been made to accommodate and subserve the interests of government alone. And whether these large expenditures by government for water-power have been judicious or injudicious, whether the attempt to create water-power has cost government more than it is worth, or whether government proposes to abandon the use of water-power at Rock Island as suggested by Mr. Holman, chairman of Appropriation Committee or not, are matters in which this company has had no voice or control. The dilapidated condition of the water-power during 1875 and the first quarter of 1876 induced the company to propose measures to the Secretary of War, under which the company should expend money in further development to be paid for by government in a lease of power additional to its present rights. The manner of improvement proposed not meeting the views of the Secretary of War as well as plans submitted by Colonel Flagler, the latter was recommended together with an appropriation to carry it out, subsequently indorsed and recommended by Secretary Taft, but without avail, the chairman of Appropriation Committee (Mr. Randall) asserting on the floor of Congress that the money asked for was to benefit private individuals and not the government.

Under date February 19, 1876, the Chief of Ordnance, in his communication to the Secretary of War, says: "It is admitted that the passage to the pool is obstructed." "The government is bound by its agreement (after taking possession of the water-power

property) to do the work;" and the fact still exists that these contracts with the company have not been carried out as promised, but which in good faith ought to be, whether profitable to the government or not; and this company cannot further consent to any policy tending to prolong the impairment of its interest or that of manufacturers to whom it has rented water upon the pledged faith of government. At the following session of Congress the same appropriations were recommended with like result. The water-power company and its lessees are so situated that they cannot go backward, and so embarrassed by the course of government that they cannot go forward. The time, therefore, has fully come for investigation of the claims of the company, and the duties and obligations of the government, and also to meet charges of fraud made in public newspapers against the company, as well as the intimations of members of Congress that something was wrong in the premises. It is found by experience that the maintenance of a water-power of low head like this requires much care and expense to keep up head at low stage, and keep deposits out of the pool, as all deposits drawn into and through the pool to the tail-race are more or less detrimental to the entire power; it would therefore seem that a plan devised whereby the heaviest sediment could be kept away from the entrance to the pool proper would be the most effectual and economical way of maintenance of the water-power so far as deposits are concerned. The action of government in cutting through the "Moline chain" in the interest of navigation has had the effect to materially lower the level of the water at the entrance to the pool when the river is at low stage. This special damage should be specially compensated for. At the time of entering into these contracts the company were told that government would build its dam where it was proposed and marked out on the map, which shows the *then* plan of using compressed air; and that it would be soon completed, so that the company could have use of water-power without long delay; but when it was announced that the canal plan or some other plan was under consideration, requiring perhaps *years* of delay, (as it did,) it became a necessity for the company to have the power, and it was obliged to build a bulkhead at an expense of from \$13,000 to \$14,000. This expense should in equity have been borne by the United States, because no other plan of utilization or place for dam was presented or considered, and the contract on the part of the company was entered into without intimation of any change that would require this expenditure for temporary bulkhead.

The company were to have use "free from all charge for rent or repairs," yet it has been obliged, in order to keep up the head in low water, to expend not less than \$3,500 in getting water into the pools through these deposits. This is "repairs," and should be refunded to the company with interest.

Additional to these expenditures on repairs, the company has been obliged to compromise and make concessions on water-rent, because of insufficient supply, to the extent of from \$3,000 to \$10,000, which should be made good by government.

The actual damage to the company's interests by reason of the non-performance of government can hardly be estimated, the water-power having fallen into great disrepute, and the impression that it has become almost if not entirely unreliable has kept manufacturers away.

The above, gentlemen, are the principal causes of complaint by this company, and from which it has been embarrassed and greatly damaged.

It hopes, through your report, that such action will be taken by Congress as will result in entire fulfillment of the contracts, agreements, obligations, and understandings, and payment of damage by non-fulfillment thus far, and entire removal of any further cause of complaint.

Reserving the right to at any time amend these papers, this company sincerely trusts that all future questions as to maintenance or development may be satisfactorily adjusted.

With great respect, I am your very obedient servant,

CHARLES ATKINSON,
President.

Generals HUMPHREY, WRIGHT, and ABBOTT,
*Commissioners appointed by the Secretary of War
to report upon the Moline Water-Power Company.*

APPENDIX XXVI.

MOLINE, ILL., November 24, 1875.

DEAR SIR: The undersigned, having knowledge of existing contracts by your company with the United States Government, were induced to invest their capital in buildings and machinery for various manufacturing purposes to be operated by water-power. It is well known to yourself that the water-power relied on to operate our estab-

liaments has oftentimes partially, and sometimes, as now, wholly failed by reason of neglect of the government to fulfill and carry out its contracts to develop and maintain the water-power, thus disarranging and disorganizing our business, entailing heavy damage to us and irreparable loss to operatives and their families in our employ.

We therefore feel that the time has fully come when we should unitedly protest against a state of things that so unjustly and unnecessarily impairs and jeopardizes the large manufacturing interests that we represent.

We are aware that large sums of money have been expended by government on this water-power, and that a comparatively small sum will now make the power all that was expected, and without which the expenditures already made avail nothing during a considerable portion of the year.

In the efforts you are now making to have Congress investigate the subject, we especially desire that you lay the matter before the Senators and Representatives in Congress from our own State, believing that they will not willingly consent that these large interests shall be jeopardized, impaired, or crushed out when it is so plainly the duty of Congress to interpose and save them by a simple performance of its obligations.

In the hope that success may attend your efforts in this direction, we are

Very respectfully, yours, &c.,

WALTERS & FIRST, employing	8 men.
UNION MALLEABLE IRON CO., employing	40 men.
MOLINE WAGON CO., employing	200 men.
DEERE & CO., employing	500 men.
TILLINGHAST & PORTER, employing	9 men.
S. W. WHEELOCK & CO., employing	50 men.
MOLINE PLOW CO., employing	300 men.
WILLIAMS, WHITE & CO., employing	60 men.

C. ATKINSON, Esq.,

President Moline Water-Power Company, Moline, Ill.

APPENDIX XXVII.

HISTORY OF WING-DAM.

D. B. Sears built a wing-dam about 800 feet long on line A C, of brush and stone, which in 1864 had washed away to about 18 inches above low water. The first plan on file at Rock Island arsenal is dated May 18, 1867, and was approved by the Secretary of War November 11, 1867. This plan shows an extension along the line of the old wing-dam. By an agreement, signed June 18 and August 20, 1867, the United States was required to expend \$40,000 on the wing-dam. General Rodman asked authority of the Chief of Ordnance to use the stone excavated from the rapids by the Engineer Department, and to charge it to the wing-dam at the same price as if quarried and delivered for the work, thus making the work worth \$40,000, while the actual cost was less. The Chief of Ordnance replied that the water-power company could demand actual expenditures of \$40,000. (See letter of General Rodman to Chief of Ordnance, of May 24, 1867; Chief of Ordnance to General Rodman, May 29, 1867; General Rodman to Moline Water-Power Company, June 3d, 1867—no reply to the last is on file.) Under agreement with the Engineer Department the stone from the rapids was used on the wing-dam. From Duck Creek Chain 1,720 solid yards were put on the part H I in 1867, and 444 solid yards loosely deposited on Benham's Island. The measurement of this stone was made before excavation. All the stone from Moline Chain was put on the wing-dam at A B C in 1868, about 15,000 solid yards. (See letters from General Rodman to General Wilson, May 26 and June 3, 1867; General Wilson to General Rodman, June 15; Major Edson to General Wilson, November 7 and 13, 1867; Major Allen to Frizell, November 16; Major Edson to Frizell, November 23; Frizell to Major Edson, November 27; Major Allen to Major Edson, December 6 and 9, 1867.)

The part H I was built in November and December, 1867. Soon after the completion of the part, (H I,) Bailey Davenport asked, officially, what was the object of the work in the river opposite to his land. General Rodman replied, explaining its object. Mr. Davenport afterward agreed to release all claims for damage by overflow by a dam not more than 3 feet high above low water, provided the United States would riprap his shore. On account of this question work was stopped about February 1, 1868, until all land owners above Moline should make and record such a release for themselves and heirs. (See letters from B. Davenport to General Rodman, December 26, 1867; J. S. Keator to General Rodman, January 2; B. Davenport to General Rodman, January 3, 1868, written, I think, by Henry Curtis, a lawyer of Rock Island;

General Rodman to Major Edson, January 18, and to Chief of Ordnance February 6, 1868; J. S. Keator to General Rodman, January 3, 1868.) No such release is on record, and I cannot find out how this matter was settled, but work was again resumed about February 8, 1868, along D E, at a deep hole below Gordon's landing. About 300 feet was built in February and March, 1868, the work having been stopped in March on account of the breaking up of the ice. (See letters of General Rodman to Major Edson, February 8, and Chief of Ordnance to Major Edson, February 8, 1868.) The work was resumed again in July, 1868, and the part A, B, C, D, E was completed by October, 1868. Work resumed again in November, and the part E F was completed before April, 1869. (See letters from General Rodman to Major Edson, November 17, 1868; Moline Water-Power Company to General Rodman, November 12; General Rodman to Major Edson, September 9; Major Edson to General Rodman, November 20.)

DETAILS.

Part H I, 1,300 feet long, built in November and December, 1867, by Major Edson, then in temporary command of Rock Island arsenal. Plain crib-work, 10 feet from out to out, made of 6 by 8 pine timbers, fastened by oak pins, filled with loose stone to about 3 feet above low water. The work was done by a foreman, (W. H. Anderson,) two laborers, and five enlisted men. The stone was from Duck Creek Chain, one mile distant, transported in lighters by Case & Co., and unloaded by Ordnance Department. The cribs were built on lighters and lowered in place. Rate of progress, 80 feet per day. Lumber in 100' = 4,300', at \$17 per thousand. Total cost of dam, \$1 per running foot. (See letter of Major Edson to General Rodman, November 19, 1867.) The plans not having yet been returned to General Rodman, he declined to make the United States liable for this work. The lumber was furnished by Charles Atkinson, president of Moline Water-Power, who was afterwards to be paid for it by the United States. General Rodman made a proviso that this should not be construed to confer any right of ownership on Mr. Atkinson. (See letters of General Rodman to Major Edson, November 21 and December 3, 1867.)

Part D E, in deep water, was built in February and March, 1868. Cribs of 6 by 8 timbers were built on the ice, and lowered in place, and filled with stone quarried about 1,000 feet southwest of Sear's dam, and hauled in wagons to the wing-dam. A few cribs were made 15 feet wide at the bottom and 12 feet at the top, the latter being on the outside. This was found to be costly, and the rest were made 12 feet wide at the bottom, without batter. (See letters of General Rodman to Major Edson, and Chief of Ordnance to Major Edson, February 8, 1868.)

Part A, B, C, D was built from July to October, 1868; the cribs are 12 feet wide from A to C and 10 feet from C to E. It was not at first intended to cover the cribs over entirely, and a continuous apron 4 feet wide was made for about 600 feet from Benham's Island to prevent underwashing. The timbers are 6" x 8", 6" x 6", and 8" x 8", fastened by oak pins. A rope was stretched from the wing-dam to the coffer-dam, on Moline Chain, and used for a current ferry. The stone was all delivered on lighters by Case & Co., and unloaded by the Ordnance Department. (G. F. Downs was foreman of the work.) Cost per loose yard of stone in position, 39 cents; average cost per running foot of completed dams, A, B, C, D, \$800. Part E F was built from November 17, 1868, to January, 1869. An ordinary coffer-dam, made of old boards and filled with earth, was put in and covered over entirely with stone purchased from Charles Atkinson, at \$1 per loose yard. The stone was delivered on the Moline shore by Mr. Atkinson and loaded, transported, and unloaded by the Ordnance Department. The water became too high to allow placing the stone. (See letters from General Rodman to Major Edson, November 19, 1868; General Rodman to Major Parker, November 20, 1868; Major Edson to General Rodman, November 20, 1868.) Cost of completed dam E, F, per running foot, \$11.

The wing-dam was intended to be one foot above high water for the first 400 feet from Benham's Island to make a log harbor. The next length was to be 8 feet above low water, the next 5 feet above low water to the west line of Bailey Davenport's property, and all east of that line 3 feet above low water. (This line is the prolongation of the east line of the east building of Dinnoek & Gould.) After the completion of the dam, a large quantity of the sand and mud excavated from the water-power pool, was deposited along the wing-dam.

OPINION.

It was the opinion of General Rodman that an extension of the wing-dam much beyond Gordon's landing would not be beneficial, as such an extension would necessarily make the mouth of the pool narrower.

It is my own opinion that it would not be advantageous to connect Gordon's landing with the upper part H I, unless the dam would be made more water-tight than it is now.

The mouth of the pool in this case would be but — wide, and the small increase

of head would be nearly compensated by the leakage, and the narrow opening would be liable to be frequently gorged by ice, the river being shallow at the point I.

	Actual ex- penditures.	Enlisted la- bor charged to wing- dam.
November, 1867	\$370 00	.....
December, 1867	385 15	\$252 00
February, 1868	3,403 05	554 93
March, 1868	38 30	.....
July, 1868	701 54	.....
August, 1868	7,274 26	.....
Boats in 1868	1,229 24	.....
September, 1868	6,700 30	.....
October, 1868	3,378 68	.....
November, 1868	3,843 10	.....
December, 1868	978 20	.....
January, 1869	355 20	.....
April, 1869	257 70	.....
Total expenditure	28,574 72	806 93

Respectfully submitted,

W. P. BUTLER,
Second Lieutenant, Ordnance

Official copy.

D. W. FLAGLER,
Major of Ordnance,
Brevet Lieutenant-Colonel, U. S. A., Commanding.

APPENDIX XXVIII.

ACCOUNT OF CONSTRUCTION OF WING-DAM.

[Extract from Colonel Flagler's History of Rock Island.]

The action taken by the board of commissioners appointed by the President of the United States to adjust claims growing out of the action of the United States in taking possession of property at the Rock Island arsenal under the act of July 19, 1864, in the case of the Moline Water-Power Company, and the recommendations by the board of a plan for the settlement of matters between the United States and that company, is embodied in the report of the board of commissioners.

The plan recommended by the board was that the Moline Water-Power Company should convey to the United States the fee of the entire water-power. In return for this the United States should develop and construct the water-power and give to the Moline Water-Power Company in perpetuity, free of cost, one-fourth ($\frac{1}{4}$) of all the power obtained and the privilege of renting at the nominal price of fifty (50) cents per square inch of cross-section of water at openings, per annum, all the water that the United States should not at any time require for use at the arsenal.

This plan has been fully carried out, and the recommendations of the commission are nearly all embodied in contracts made between the United States and the water-power company. Nevertheless a careful reading of the report of the commission on this subject would be useful for a clear understanding of the subsequent action taken respecting it.

The Chief of Ordnance, in submitting the report of the commission to the Secretary of War for his action thereon, made the following remarks in regard to the recommendations in the case of the water-power company:

"ORDNANCE OFFICE, WAR DEPARTMENT,
"Washington, February 8, 1867."

"SIR: I have the honor to transmit herewith the report of the commission appointed under the acts of Congress approved April 19, 1864, and June 27, 1866, to ascertain the

true value of the land on Rock Island, taken possession of by the War Department, and the compensation due each claimant.

"You will observe that no award has been made to the Moline Water-Power Company for the improvements made by it in creating its water-power, and as the land upon the island on which the improvements are located belongs to the United States, it is doubtful whether the commission had authority under either of the acts above named to award damages to this company, the power to award damages being limited by the acts to claims for the value of the lands owned by individuals and taken possession of by the War Department. Still, as this company was permitted to make these improvements upon public property, it is doubtful whether it should be taken from the company without compensation.

"The recommendation of the commission indirectly gives compensation to the company and at the same time promotes the interest of this department in securing water-power for the arsenal.

"If the War Department has authority to sanction and carry into effect this recommendation, I respectfully suggest that it be done. If further legislation is necessary to that effect, I recommend that it be requested of Congress as soon as possible."

To carry out the foregoing recommendations, the following resolution of Congress was passed :

"RESOLUTION No. 54. (Approved March 2, 1867; vol. 14, p. 573.)

"JOINT RESOLUTION to enable the Secretary of War to carry out an agreement in relation to water-power for the arsenal at Rock Island.

"That the Secretary of War be, and he is hereby, authorized and empowered to carry into effect the recommendations of the commissioners appointed under the acts of April 19, 1864, and June 27, 1866, relative to the Moline Water Company and the water-power at Rock Island, Ill., as contained in the report of said commissioners, and to make application for that purpose of the money heretofore appropriated for securing water-power at the head of Rock Island."

On the 9th of April, 1867, the Chief of Ordnance sent to General Rodman a draught of an agreement for the signature of the Moline Water-Power Company, which embodied the recommendations of the commission.

General Rodman returned this agreement April 16, 1867, and inclosed a copy of a letter from the Moline Water-Power Company, dated April 15, 1867, stating that that company did not think the agreement fully covered all the points recommended by the commission, but the president of the company was authorized to execute the same on behalf of the company, adding the following words :

"It being further understood that this agreement is for the purpose of carrying out the recommendations of the commissioners appointed under the acts of April 19, 1864, and June 27, 1866, relative to the Moline Water-Power Company and water-power at Rock Island, Ill., and that the recommendation of said commissioners, now on file at the Ordnance Department at Washington City, is regarded as part of this agreement."

General Rodman stated that he did not feel authorized to add the clause, but that he could see no objection to its being added.

On April 19, 1866, the Chief of Ordnance returned the agreement with the additional clause inserted, as requested by the Moline Water-Power Company.

One clause of this agreement was again modified in the following June, and before giving a copy of the agreement as finally executed, it will be best to explain the circumstances which led to this modification, especially since this modification was the cause of a change in the amount of money expended on the wing-dam, or more properly of the amount of money paid out, and has sometimes caused complaints.

In 1866, Congress appropriated \$100,000 for the water-power. It had been agreed, verbally, that \$40,000 of this should be expended on the wing-dam and the remaining \$60,000 on the stone dam for utilizing the part of the water-power which the agreement gave to the Moline company. There was a clause put in the agreement (third clause) requiring \$40,000 to be expended on the wing-dam. The anxiety for this clause on the part of the Moline Water-Power Company was because it was supposed that the wing-dam would give more benefit to the part of the power to be used by that company than it would to the part to be used by the government. Further appropriations would probably be made to complete the dams and other parts of the water-power, in accordance with the plans, but the Moline company did not feel so sure that the wing-dam would be completed in the way that company wanted it, and as they were anxious about it it was made a part of the agreement. It was not convenient to stipulate in the agreement exactly what work should be done on the wing-dam, but the plans for the dam were made and agreed upon, verbally, and the estimated cost was carefully determined, and found to be within \$40,000. Then the third clause of the agreement was made to specify that this sum of money should be expended, and this covered the case.

Afterward, while the wing-dam was being built, it was found that contractors doing work for the United States Engineer Department in the improvement of the rapids of the Mississippi River were excavating rock from the bed of the river near the site of the wing-dam. Authority was obtained from the Engineer Department to have this rock delivered on the dam. This was done; and the only expense the Ordnance Department incurred in the construction of the rock part of the dam was the cost of unloading the rock, and a considerable part of this labor was performed by enlisted men. As the largest item in the estimated expense of building the dam was the cost of rock delivered as required, it was found that with this arrangement the dam could be built in accordance with the plan agreed upon for much less than \$40,000. General Rodman then proposed to deduct from \$40,000 the value of the rock delivered at the dam and expend the remainder, but he was informed by the Chief of Ordnance (under date of May 29, 1867) that this could only be done by consent of the Moline Water-Power Company, and if that company insisted upon it the whole \$40,000 would have to be expended upon the wing-dam in accordance with the agreement; but suggested that the agreement (which had not yet been executed) be changed to suit the case. This was done by consent of the Moline Company, and the third clause amended to read: "3d. The United States of America hereby agree to apply \$40,000, or so much thereof as the War Department may consider necessary, to complete the wing-dam," &c., the words underlined being added to the original agreement to make the clause suit the case.

The total amount paid out in the construction of the part of the wing-dam in which the Moline Company was interested, in accordance with the foregoing, was \$29,681.15.

The remainder (a little over \$10,000) was reserved, as General Rodman's letters show, for connecting the wing-dam with Benham's Island and Sears' dam and repairs of Sears' dam.

It has subsequently been claimed by the Moline company that the United States did not carry out this part of its agreement, because the whole \$40,000 was not expended on the wing-dam, and complaints have been based upon this claim. On this account a full statement of the matter is given.

APPENDIX XXIX.

Statement of cost of work done on the wing-dam for the Rock Island water-power.

In November, 1867	\$270 00
In December, 1867	385 15
In February, 1868	3,403 05
In March, 1868	38 30
In July, 1868	703 54
In August, 1868	7,274 26
In boats in 1868	1,289 24
In September, 1868	6,700 30
In October, 1868	3,378 68
In November, 1868	2,339 77
In December, 1868	978 20
In January, 1869	355 20
In April, 1869	257 70
November 30, 1868, purchased from Moline Water-Power Company 1,503½ yards of stone, at \$1 per cubic yard	1,503 33
	<hr/>
26,458.62 yards of stone obtained from excavation on Rock Island Rapids improvements, at \$1 per yard	26,458 62
Cost of labor done by enlisted men	806 93
	<hr/>
Total cost of wing-dam	56,140 27

As the stone obtained from the Engineer Corps (valued at \$26,458.62) and the labor of enlisted men (\$806.93) was not paid for by the Ordnance Department, there was left of the appropriation of \$40,000 available for the wing-dam \$11,125.28, which was reserved, as General Rodman's letters show, for connecting the wing-dam with Benham's Island and Sears' dam and repairs of Sears' dam.

For full discussion of this matter see extract from Major Flagler's "History of Rock Island" and Lieutenant Butler's report on the wing-dam, papers furnished to the water-power commission.

D. W. FLAGLER,

Major of Ordnance, Brevet Lieutenant-Colonel, U. S. A., Commanding.

* This stone was excavated by the United States in the improvement of the Rock Island Rapids, and its cost or value to the United States is placed at \$1 per yard delivered on the wing-dam, the same price that was paid to the Moline Water-Power Company for stone purchased from that company.

APPENDIX XXX.

Amount of deposit taken from water-power pool.

	Cubic yards.
January, 1869	650
May, 1869	20,360
June, 1869	34,840
July, 1869	28,264
August, 1869	8,500
November, 1869	3,760
December, 1869	25,286
January, 1870	8,907
June, 1870	8,898
Total	139,465
1874	2,300
July, 1869, to October, 1876, (for building purposes)	9,500
	151,265

(The above was furnished by Colonel Flagler May 9, 1876.)

APPENDIX XXXI.

ROCK ISLAND ARSENAL, ILL., May 26, 1877.

SIR: I have the honor to state for the information of the commission on water-power that the following amounts were expended by the United States in the improvement of the water-power at Rock Island, viz:

During the fiscal year ending June 30, 1868	\$9,429 34
During the fiscal year ending June 30, 1869	179,994 60
During the fiscal year ending June 30, 1870	141,982 96
During the fiscal year ending June 30, 1871	122,064 53
During the fiscal year ending June 30, 1872	180,136 19
During the fiscal year ending June 30, 1873	106,619 59
During the fiscal year ending June 30, 1874	18,000 00

Total

758,227 21

Very respectfully, your obedient servant,

D. W. FLAGLER,

Major of Ordnance, Brevet Lieutenant-Colonel U. S. A., Commanding.

General H. G. WRIGHT,

Army building, corner Green and Houston streets, New York.

APPENDIX XXXII.

WATER RECORD FOR 1874.

Date.	Stage of water.		Head in feet.	Date.	Stage of water.		Head in feet.
	In pool.	In tail-race.			In pool.	In tail-race.	
December 13	8.6	.....	.....	December 23	10.20	6.30	3.90
14 .....	.....	.....	.....	24	10.01	6.30	3.71
15	9.00	6.20	2.80	25	10.06	.....	.....
16	9.50	6.20	3.30	26	10.00	5.80	4.20
17	9.95	6.20	3.75	27	9.40	.....	.....
18	10.55	6.40	4.15	28	9.30	6.00	3.30
19	10.50	5.90	4.60	29	9.95	6.30	3.65
20	10.20	.....	.....	30	10.03	6.20	3.83
21	10.10	6.15	3.95	31	10.35	6.20	4.15
22	10.15	6.20	3.95				

NOTE.—Where no entry has been made, the stage of water in pool or tail-race was below the graduation of the gauge.

D. W. FLAGLER,

Major of Ordnance, Brevet Lieutenant-Colonel, U. S. A., Commanding.

ROCK ISLAND ARSENAL, May 26, 1877.

APPENDIX XXXIII.
Water record for the year 1875.

Data.	January.			February.			March.			April.			May.			June.		
	Stage of water.			Stage of water.			Stage of water.			Stage of water.			Stage of water.			Stage of water.		
	In pool.	In fall-race.	Head in feet.	In pool.	In fall-race.	Head in feet.	In pool.	In fall-race.	Head in feet.	In pool.	In fall-race.	Head in feet.	In pool.	In fall-race.	Head in feet.	In pool.	In fall-race.	Head in feet.
1	10.4	5.9	4.50	10.10	6.50	3.60	.....	.....	.....	14.40	8.90	5.50	19.25	13.25	5.90	14.70	8.60	6.10
2	10.1	6.3	3.80	9.50	6.50	3.60	.....	.....	.....	14.85	9.40	5.45	19.05	13.10	5.95	14.75	8.60	6.15
3	10.5	.....	.....	6.30	.....	.....	.....	.....	.....	14.45	.....	5.45	18.70	13.25	5.95	14.60	8.50	6.10
4	10.35	6.2	4.15	6.00	6.30	3.40	.....	.....	.....	14.75	8.55	5.90	18.45	13.25	6.30	14.50	8.50	6.10
5	10.3	8.3	4.60	8.70	6.30	3.40	.....	.....	.....	14.10	8.50	5.60	18.10	13.15	5.95	14.40	8.40	6.10
6	15.3	7.8	7.50	8.50	6.25	3.35	.....	.....	.....	14.45	8.90	5.65	17.85	13.45	6.10	14.30	8.40	6.10
7	15.4	7.8	7.60	8.95	6.00	3.35	.....	.....	.....	17.70	9.05	5.65	17.55	13.55	6.10	14.30	8.40	6.10
8	14.95	7.2	7.90	8.90	6.70	3.10	.....	.....	.....	14.70	9.05	5.70	17.25	13.55	6.10	14.30	8.40	6.10
9	14.1	7.2	7.90	7.55	6.50	3.10	.....	.....	.....	14.70	9.05	5.70	17.10	13.40	5.95	14.30	8.40	6.10
10	13.85	7.2	7.90	8.70	6.30	2.40	.....	.....	.....	14.60	8.95	5.65	16.85	13.90	5.95	13.90	7.75	6.25
11	13.6	7.2	6.65	7.30	.....	.....	.....	.....	.....	14.60	8.10	5.65	16.55	13.90	5.95	13.75	7.55	6.25
12	13.6	7.2	6.6	.....	.....	.....	.....	.....	.....	14.50	8.60	5.95	16.55	13.90	5.95	13.75	7.55	6.25
13	13.35	7.05	6.30	.....	.....	.....	.....	.....	.....	14.50	8.60	5.95	16.40	13.90	5.95	13.75	7.55	6.25
14	13.95	6.85	6.10	.....	.....	.....	.....	.....	.....	14.55	8.60	5.95	16.30	13.90	5.95	13.75	7.55	6.25
15	13.70	6.80	5.80	.....	.....	.....	.....	.....	.....	14.50	8.60	5.95	16.30	13.90	5.95	13.75	7.55	6.25
16	13.90	6.90	5.50	.....	.....	.....	.....	.....	.....	14.60	8.45	5.95	15.85	13.90	6.05	14.30	7.70	6.30
17	11.95	6.00	5.65	.....	.....	.....	.....	.....	.....	14.80	8.90	6.10	15.75	13.95	6.10	14.30	7.85	6.35
18	11.70	6.60	5.10	.....	.....	.....	.....	.....	.....	15.00	9.10	6.10	15.70	14.05	6.10	14.35	8.00	6.30
19	11.60	6.70	4.90	.....	.....	.....	.....	.....	.....	15.50	9.25	6.15	15.70	14.05	6.10	14.35	8.00	6.30
20	11.50	6.75	4.90	.....	.....	.....	.....	.....	.....	15.50	9.25	6.15	15.70	14.05	6.10	14.35	8.00	6.30
21	11.60	6.70	4.90	.....	.....	.....	.....	.....	.....	15.90	9.70	6.30	15.90	14.05	6.05	14.30	7.90	6.30
22	11.50	6.65	4.85	.....	.....	.....	.....	.....	.....	15.90	10.10	6.30	15.90	14.05	6.05	14.30	7.90	6.30
23	11.50	6.60	4.80	.....	.....	.....	.....	.....	.....	15.90	10.10	6.30	15.90	14.05	6.10	14.30	7.90	6.30
24	11.40	5.90	4.50	.....	.....	.....	.....	.....	.....	16.10	11.40	6.10	15.90	14.05	6.10	14.30	7.90	6.30
25	11.10	6.60	4.40	.....	.....	.....	.....	.....	.....	16.10	11.40	6.10	15.90	14.05	6.10	14.30	7.90	6.30
26	11.10	6.60	4.40	.....	.....	.....	.....	.....	.....	16.10	11.40	6.10	15.90	14.05	6.10	14.30	7.90	6.30
27	11.10	6.60	4.40	.....	.....	.....	.....	.....	.....	16.10	11.40	6.10	15.90	14.05	6.10	14.30	7.90	6.30
28	10.90	6.60	4.30	.....	.....	.....	.....	.....	.....	16.10	11.40	6.10	15.90	14.05	6.10	14.30	7.90	6.30
29	10.60	6.60	4.30	.....	.....	.....	.....	.....	.....	16.10	11.40	6.10	15.90	14.05	6.10	14.30	7.90	6.30
30	10.50	6.70	4.30	.....	.....	.....	.....	.....	.....	16.10	11.40	6.10	15.90	14.05	6.10	14.30	7.90	6.30
31	10.55	6.00	4.55	.....	.....	.....	.....	.....	.....	16.10	11.40	6.10	15.90	14.05	6.10	14.30	7.90	6.30

APPENDIX XXXIV.
Water record for the year 1875—Continued.

Date.	July.			August.			September.			October.			November.			December.		
	Stage of water.			Stage of water.			Stage of water.			Stage of water.			Stage of water.			Stage of water.		
	In pool.	In tail-race.	Head in feet.	In pool.	In tail-race.	Head in feet.	In pool.	In tail-race.	Head in feet.	In pool.	In tail-race.	Head in feet.	In pool.	In tail-race.	Head in feet.	In pool.	In tail-race.	Head in feet.
1	14.15	7.90	6.25	10.10	7.80	.....	.....	.....	.....	12.10	5.60	6.50	10.30	.....	.....	.....	.....	.....
2	14.15	7.90	6.25	9.90	8.50	.....	.....	.....	.....	11.90	6.00	5.90	10.30	.....	.....	.....	.....	.....
3	14.30	8.00	6.30	9.80	8.30	3.80	.....	.....	.....	11.60	.....	.....	10.30	.....	.....	.....	.....	.....
4	14.45	8.10	6.35	9.70	8.90	3.60	5.90	.....	.....	11.50	5.95	5.55	10.30	.....	.....	.....	.....	.....
5	14.50	8.30	6.30	9.65	9.90	3.75	.....	.....	.....	11.45	5.90	5.55	10.45	.....	.....	.....	.....	.....
6	14.65	8.50	6.15	9.50	9.50	3.70	6.80	.....	.....	11.30	5.60	5.70	10.55	.....	.....	.....	.....	.....
7	14.60	8.45	6.15	9.30	9.80	3.60	.....	.....	.....	11.10	5.50	5.60	10.65	.....	.....	.....	.....	.....
8	14.50	8.40	6.10	9.60	.....	.....	.....	.....	.....	11.00	5.40	5.60	10.65	.....	.....	.....	.....	.....
9	14.30	7.70	7.05	9.50	10.90	4.50	6.40	4.95	5.30	10.90	5.40	5.50	10.70	.....	.....	.....	.....	.....
10	14.10	7.05	7.05	9.00	11.25	3.70	6.30	4.95	5.30	10.90	5.40	5.50	10.70	.....	.....	.....	.....	.....
11	13.80	7.55	6.25	9.45	11.70	3.30	6.40	5.30	5.90	10.95	5.40	5.45	10.70	.....	.....	.....	.....	.....
12	13.45	7.30	6.15	9.10	12.40	3.75	6.50	6.10	6.55	10.70	5.40	5.30	10.70	.....	.....	.....	.....	.....
13	13.10	6.90	6.20	9.10	12.65	3.60	6.50	6.10	6.55	10.60	5.40	5.30	10.65	.....	.....	.....	.....	.....
14	12.85	6.65	6.30	8.80	12.90	3.40	6.90	6.00	6.00	10.50	5.40	5.10	10.55	.....	.....	.....	.....	.....
15	12.50	6.35	6.15	8.70	13.50	3.30	7.30	7.30	6.20	10.40	5.40	5.10	10.40	.....	.....	.....	.....	.....
16	12.25	6.15	6.25	8.65	13.70	.....	7.70	7.70	6.00	10.50	5.40	5.10	10.40	.....	.....	.....	.....	.....
17	12.00	5.80	6.20	8.70	13.90	.....	7.90	7.90	6.35	10.40	5.40	5.10	10.40	.....	.....	.....	.....	.....
18	12.80	5.80	6.30	8.70	13.95	.....	7.60	7.60	6.40	10.30	5.40	4.90	10.35	.....	.....	.....	.....	.....
19	11.60	5.50	6.10	8.90	14.00	.....	7.80	7.80	6.30	10.30	5.40	4.90	10.30	.....	.....	.....	.....	.....
20	11.40	5.50	5.90	7.70	14.10	.....	7.70	7.70	6.30	10.35	5.40	4.85	10.30	.....	.....	.....	.....	.....
21	11.30	5.45	5.75	8.50	14.00	.....	7.70	7.70	6.30	10.30	5.40	4.80	10.30	.....	.....	.....	.....	.....
22	11.00	5.45	5.55	8.30	13.90	.....	7.60	7.60	6.30	10.30	5.40	4.80	10.30	.....	.....	.....	.....	.....
23	10.85	5.45	5.40	8.30	13.75	.....	7.45	7.45	6.30	10.30	5.40	4.80	10.30	.....	.....	.....	.....	.....
24	10.75	5.45	5.30	7.10	13.60	.....	7.30	7.30	6.40	10.30	5.40	4.80	10.30	.....	.....	.....	.....	.....
25	10.65	5.45	5.20	.....	13.30	.....	7.30	7.30	6.30	10.30	5.40	4.80	10.30	.....	.....	.....	.....	.....
26	10.60	5.45	5.20	.....	13.30	.....	6.50	6.50	6.60	10.30	5.40	4.60	10.30	.....	.....	.....	.....	.....
27	10.65	5.45	5.15	7.30	13.90	.....	6.30	6.30	6.30	10.30	5.40	4.90	10.30	.....	.....	.....	.....	.....
28	10.55	5.70	4.85	7.80	13.70	.....	6.40	6.40	6.30	10.30	5.40	4.80	10.30	.....	.....	.....	.....	.....
29	10.40	5.80	4.60	8.40	12.45	.....	6.90	6.90	6.95	10.30	5.40	4.80	10.30	.....	.....	.....	.....	.....
30	10.30	5.75	4.55	8.90	12.30	.....	6.90	6.90	6.00	10.30	5.40	4.80	10.30	.....	.....	.....	.....	.....
31	10.10	5.45	4.65	8.00	12.90	.....	6.90	6.90	6.00	10.35	5.40	4.95	10.45	.....	.....	.....	.....	.....

NOTE.—Where no entry has been made, the stage of water in pool or tail-race was below the graduation of the gauge.
D. W. FLAGLER, Major of Ordnance, Bvt. Lt. Col., U. S. A. Commanding.
ROCK ISLAND ARSENAL, May 28, 1877.

MOLINE WATER-POWER COMPANY.

APPENDIX XXXIV.

Water record for the year 1876.

Date	January.			February.			March.			April.			May.			June.		
	Stage of water.		Head in feet.	Stage of water.		Head in feet.	Stage of water.		Head in feet.	Stage of water.		Head in feet.	Stage of water.		Head in feet.	Stage of water.		
	In pool.	In fall-race.		In pool.	In fall-race.		In pool.	In fall-race.		In pool.	In fall-race.		In pool.	In fall-race.		In pool.	In fall-race.	
1	11.95			7.50	5.50	5	10.90			11.90	5.70	6.10	18.35	11.50	6.25	19.30	19.65	
2	11.85	5.75		7.40			7.80			13.00			18.35	11.40	6.25	19.30	19.65	
3	11.80	5.80		10.30	7.40		8.90	5.50	4.40	12.85	5.20	7.15	18.40	11.30	6.30	19.30	19.65	
4	11.70	5.80	1.30	10.20	7.40		10.25	6.40		13.10	5.50	7.15	18.50	11.30	6.30	19.30	19.65	
5	11.60	5.80	3.95	10.20	6.30	3.95	10.60			13.80	6.80	7.10	18.90	11.30	6.30	19.30	19.65	
6	11.50	5.70	2.60	10.20	5.50	2.60	11.50			14.40	7.30	7.10	19.30	11.30	6.30	19.30	19.65	
7	11.40	5.70	1.90	7.50	5.50		12.30			14.70	7.80	6.90	19.35	11.35	6.30	19.30	19.65	
8	11.30		4.40	7.70	5.50	4.40	12.60			14.80	8	6.80	19.35	11.35	6.30	19.30	19.65	
9	11.30		4.75	10.40	5.50	4.75	13.40			14.90	8.40	6.80	19.35	11.35	6.30	19.30	19.65	
10	11.30		4.75	10.60	5.85	4.75	14.10			15.10	8	6.80	19.35	11.35	6.30	19.30	19.65	
11	11.30		4.75	10.60	5.50	4.75	14.70			15.10	8	6.80	19.35	11.35	6.30	19.30	19.65	
12	11.30		4.75	10.60	5.50	4.75	14.70			15.10	8	6.80	19.35	11.35	6.30	19.30	19.65	
13	11.30		4.75	10.60	5.50	4.75	14.70			15.10	8	6.80	19.35	11.35	6.30	19.30	19.65	
14	11.30		4.75	10.60	5.50	4.75	14.70			15.10	8	6.80	19.35	11.35	6.30	19.30	19.65	
15	11.30		4.75	10.60	5.50	4.75	14.70			15.10	8	6.80	19.35	11.35	6.30	19.30	19.65	
16	11.30		4.75	10.60	5.50	4.75	14.70			15.10	8	6.80	19.35	11.35	6.30	19.30	19.65	
17	11.30		4.75	10.60	5.50	4.75	14.70			15.10	8	6.80	19.35	11.35	6.30	19.30	19.65	
18	11.30		4.75	10.60	5.50	4.75	14.70			15.10	8	6.80	19.35	11.35	6.30	19.30	19.65	
19	11.30		4.75	10.60	5.50	4.75	14.70			15.10	8	6.80	19.35	11.35	6.30	19.30	19.65	
20	11.30		4.75	10.60	5.50	4.75	14.70			15.10	8	6.80	19.35	11.35	6.30	19.30	19.65	
21	11.30		4.75	10.60	5.50	4.75	14.70			15.10	8	6.80	19.35	11.35	6.30	19.30	19.65	
22	11.30		4.75	10.60	5.50	4.75	14.70			15.10	8	6.80	19.35	11.35	6.30	19.30	19.65	
23	11.30		4.75	10.60	5.50	4.75	14.70			15.10	8	6.80	19.35	11.35	6.30	19.30	19.65	
24	11.30		4.75	10.60	5.50	4.75	14.70			15.10	8	6.80	19.35	11.35	6.30	19.30	19.65	
25	11.30		4.75	10.60	5.50	4.75	14.70			15.10	8	6.80	19.35	11.35	6.30	19.30	19.65	
26	11.30		4.75	10.60	5.50	4.75	14.70			15.10	8	6.80	19.35	11.35	6.30	19.30	19.65	
27	11.30		4.75	10.60	5.50	4.75	14.70			15.10	8	6.80	19.35	11.35	6.30	19.30	19.65	
28	11.30		4.75	10.60	5.50	4.75	14.70			15.10	8	6.80	19.35	11.35	6.30	19.30	19.65	
29	11.30		4.75	10.60	5.50	4.75	14.70			15.10	8	6.80	19.35	11.35	6.30	19.30	19.65	
30	11.30		4.75	10.60	5.50	4.75	14.70			15.10	8	6.80	19.35	11.35	6.30	19.30	19.65	
1	10.30	5					11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	
2	10.30						11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	
3	10.30						11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	
4	10.30						11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	
5	10.30						11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	
6	10.30						11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	
7	10.30						11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	
8	10.30						11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	
9	10.30						11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	
10	10.30						11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	
11	10.30						11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	
12	10.30						11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	
13	10.30						11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	
14	10.30						11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	
15	10.30						11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	
16	10.30						11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	
17	10.30						11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	
18	10.30						11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	
19	10.30						11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	
20	10.30						11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	
21	10.30						11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	
22	10.30						11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	
23	10.30						11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	
24	10.30						11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	
25	10.30						11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	
26	10.30						11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	
27	10.30						11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	
28	10.30						11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	
29	10.30						11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	
30	10.30						11.55	5.90	5.75	18.40	11.55	6.95	19.30	12.60	6.70	8.10	6.90	

MOLINE WATER-POWER COMPANY

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APPENDIX XXXIV. Water record for the year 1876—Continued.

Date.	July.			August.			September.			October.			November.			December.		
	Stage of water.		Head in feet.	Stage of water.		Head in feet.	Stage of water.		Head in feet.	Stage of water.		Head in feet.	Stage of water.		Head in feet.	Stage of water.		Head in feet.
	In pool.	In fall-race.		In pool.	In fall-race.		In pool.	In fall-race.		In pool.	In fall-race.		In pool.	In fall-race.		In pool.	In fall-race.	
1.....	14.90	8.00	6.90	10.60	5.60	5.00	12.80	5.90	7.00	11.60	5.55	6.60	10.45	5.70	4.75	.....	.....	.....
2.....	14.90	8.90	6.90	10.65	5.60	5.05	13.15	5.90	7.20	11.55	5.55	6.60	10.50	5.70	4.75	.....	.....	.....
3.....	14.90	7.90	7.70	10.65	5.50	5.15	12.65	5.90	7.20	11.55	5.55	6.60	10.50	5.70	4.75	.....	.....	.....
4.....	15.30	7.10	7.95	10.65	5.50	5.15	12.30	5.60	6.70	11.50	5.80	6.60	10.75	5.70	5.05	.....	.....	.....
5.....	15.30	7.10	8.20	10.65	5.50	5.10	11.90	5.75	6.10	11.40	5.80	6.60	10.85	5.70	5.15	.....	.....	.....
6.....	16.10	8.70	7.40	10.65	5.50	5.10	11.90	5.75	6.05	11.30	5.90	6.60	10.90	5.70	5.20	.....	.....	.....
7.....	16.50	9.60	6.90	10.60	5.60	5.10	12.80	5.90	7.00	11.30	5.90	6.60	11.00	5.70	5.20	.....	.....	.....
8.....	16.60	10.00	6.60	10.60	5.60	5.10	13.30	5.90	7.30	11.15	5.75	6.60	10.95	5.75	5.20	.....	.....	.....
9.....	16.40	10.75	6.40	10.60	5.55	5.05	13.30	5.90	7.30	11.15	5.75	6.60	10.90	5.75	5.15	12.70	6.50	6.30
10.....	16.70	9.40	6.35	10.50	5.50	4.95	13.50	5.90	7.30	11.05	5.85	6.60	10.85	5.75	5.10	12.40	6.90	5.50
11.....	15.25	8.25	6.30	10.50	5.50	5.00	13.50	5.90	7.30	10.90	5.90	6.60	10.90	5.75	5.10	12.15	6.90	5.30
12.....	14.70	8.25	6.35	10.50	5.50	5.00	13.50	5.90	7.10	10.90	5.90	6.60	10.90	5.75	5.10	12.15	6.90	5.30
13.....	14.70	7.70	6.35	10.40	5.50	4.90	13.35	5.90	6.50	10.70	5.90	6.60	10.85	5.75	5.10	11.90	6.70	5.10
14.....	13.35	7.00	6.35	10.40	5.50	4.90	13.35	5.90	6.50	10.70	5.90	6.60	10.85	5.75	5.10	11.90	6.70	5.10
15.....	12.45	6.00	6.45	10.35	5.50	4.85	12.90	5.85	7.10	10.60	5.90	6.60	10.85	5.75	5.10	11.90	6.70	5.10
16.....	12.45	6.00	6.45	10.35	5.50	4.85	12.90	5.85	7.10	10.60	5.90	6.60	10.85	5.75	5.10	11.90	6.70	5.10
17.....	12.45	6.00	6.45	10.35	5.50	4.85	12.90	5.85	7.10	10.60	5.90	6.60	10.85	5.75	5.10	11.90	6.70	5.10
18.....	12.45	6.00	6.45	10.35	5.50	4.85	12.90	5.85	7.10	10.60	5.90	6.60	10.85	5.75	5.10	11.90	6.70	5.10
19.....	12.45	6.00	6.45	10.35	5.50	4.85	12.90	5.85	7.10	10.60	5.90	6.60	10.85	5.75	5.10	11.90	6.70	5.10
20.....	12.45	6.00	6.45	10.35	5.50	4.85	12.90	5.85	7.10	10.60	5.90	6.60	10.85	5.75	5.10	11.90	6.70	5.10
21.....	12.45	6.00	6.45	10.35	5.50	4.85	12.90	5.85	7.10	10.60	5.90	6.60	10.85	5.75	5.10	11.90	6.70	5.10
22.....	12.45	6.00	6.45	10.35	5.50	4.85	12.90	5.85	7.10	10.60	5.90	6.60	10.85	5.75	5.10	11.90	6.70	5.10
23.....	12.45	6.00	6.45	10.35	5.50	4.85	12.90	5.85	7.10	10.60	5.90	6.60	10.85	5.75	5.10	11.90	6.70	5.10
24.....	12.45	6.00	6.45	10.35	5.50	4.85	12.90	5.85	7.10	10.60	5.90	6.60	10.85	5.75	5.10	11.90	6.70	5.10
25.....	12.45	6.00	6.45	10.35	5.50	4.85	12.90	5.85	7.10	10.60	5.90	6.60	10.85	5.75	5.10	11.90	6.70	5.10
26.....	12.45	6.00	6.45	10.35	5.50	4.85	12.90	5.85	7.10	10.60	5.90	6.60	10.85	5.75	5.10	11.90	6.70	5.10
27.....	12.45	6.00	6.45	10.35	5.50	4.85	12.90	5.85	7.10	10.60	5.90	6.60	10.85	5.75	5.10	11.90	6.70	5.10
28.....	12.45	6.00	6.45	10.35	5.50	4.85	12.90	5.85	7.10	10.60	5.90	6.60	10.85	5.75	5.10	11.90	6.70	5.10
29.....	12.45	6.00	6.45	10.35	5.50	4.85	12.90	5.85	7.10	10.60	5.90	6.60	10.85	5.75	5.10	11.90	6.70	5.10
30.....	12.45	6.00	6.45	10.35	5.50	4.85	12.90	5.85	7.10	10.60	5.90	6.60	10.85	5.75	5.10	11.90	6.70	5.10
31.....	12.45	6.00	6.45	10.35	5.50	4.85	12.90	5.85	7.10	10.60	5.90	6.60	10.85	5.75	5.10	11.90	6.70	5.10

NOTE.—Where no entry has been made the stage of water in pool or tail race was below the graduation of the gauge.
D. W. FLAGLER, Major of Ordnance, Bt. Lt. Col., U. S. A., Commanding.
ROCK ISLAND ARSENAL, May 26, 1877.

MOLINE WATER-POWER COMPANY.

APPENDIX XXXV.
Water record for 1877.

Date.	January.			February.			March.			April.			May.		
	Stage of water.			Stage of water.			Stage of water.			Stage of water.			Stage of water.		
	In pool.	In tail-race.	Head in feet.	In pool.	In tail-race.	Head in feet.	In pool.	In tail-race.	Head in feet.	In pool.	In tail-race.	Head in feet.	In pool.	In tail-race.	Head in feet.
1	11.20			11.80			10.80			12.75	5.60	7.15	13.	6.00	7.
2	11.10			12.70	7.35	5.50	10.90			15.30	7.50	6.60	13.05	6.00	7.05
3	11.			13.05	5.70	5.70	11.			15.50	8.90	7.70	13.10	6.10	7.
4	11.30			13.45			11.			15.30	9.40	5.90	13.10	6.10	7.
5	11.15			13.50	7.50	6.	8.90			14.60	9.50	5.30	13.10	5.80	7.30
6	11.10			13.65	6.70	6.95				14.05	8.75	5.50	13.	5.80	7.30
7	11.10			13.60	6.70	6.70				13.40	7.90	5.50	13.	5.80	7.30
8	10.50			13.40	6.70	6.70				13.40	7.25	5.75	13.	5.80	7.30
9	10.50			13.60	6.85	5.85				13.90	7.	5.80	13.	6.00	7.30
10	9.40			13.55	6.50	6.05				12.60	6.70	5.90	13.85	5.80	7.05
11	10.60			13.25						12.40	6.30	6.10	12.80	5.80	7.
12	10.			12.40	6.50	5.90				12.30	5.70	6.50	12.90	5.90	
13	9.90			12.90	6.40	5.90				11.90			12.70	6.35	6.45
14	10.90			12.90	6.50	5.70				11.85			12.60	6.40	
15	10.90			11.60	6.50	5.10				11.90	5.90	5.90	12.00	6.30	6.30
16	9.65			11.80	6.40	5.40				11.80	5.80	6.10	12.40	5.80	6.30
17	10.90			11.70	6.00	5.70				11.90	5.80	6.20	12.30	5.70	6.70
18	10.65			12.75			7.50			11.90	6.	6.50	12.10	5.60	6.70
19	10.70			12.90	8.00	4.90	7.30			12.90	5.90	6.90	12.	6.10	5.90
20	10.90			12.90	7.30	4.90	7.80			11.90	5.80	6.10	12.90	5.90	6.30
21	10.90			12.	6.00	6.	8.00			12.75	5.80	6.85	12.10	6.10	5.90
22	10.70			10.70			7.90			12.80	6.	6.70	12.90	5.90	6.10
23	10.			10.90	5.80	5.10	9.40			12.70	5.98	6.70	11.90	5.90	5.90
24	9.90			10.50			9.30			12.55	5.85	6.80	11.80	5.90	
25	10.			10.60			10.15			12.45	5.70	6.80			
26	10.			10.55			10.30	5.60		12.45	5.60	6.95			
27	9.80			10.70			10.30	4.70		12.55	5.60	7.05			
28	10.70			10.80			10.60	5.65		12.65	5.60	7.10			
29	10.30						11.40			12.80	5.90				
30	9.80						11.70	5.75							
31	10.90						11.85								

NOTE.—Where no entry has been made the stage of water in pool or tail-race was below the graduation of the gauge.
D. W. FLAGLER, Major of Ordnance, Bat. Lt. Col., U. S. A., Commanding.
ROCK ISLAND ARSENAL, May 30, 1877.

APPENDIX XXXVI.

ROCK ISLAND ARSENAL, ILL., June 13, 1877.

SIR: I have the honor to acknowledge the receipt of your letter of June 2, 1877, stating that "amongst the alleged grievances of the Moline Water-Power Company are the following: It has violated the conditions of section 6 of the original contract, by leaving in the pool a part of the bottom of the coffer-dam, and in the water-way at mouth of the canal a mass of stone which holds back the tail-water and is a positive detriment to the power," and asking for a statement of facts from me in writing in reply to these complaints.

Respecting the complaint that a portion of a coffer-dam was left in the pool, I have to state as follows:

This complaint was stated more fully in a letter dated April 1, 1875, from the president of the Moline Water-Power Company to the Chief of Ordnance, and I believe your commission has a copy of the letter.

It was referred to me for report, and I believe your commission has also a copy of my report dated May 6, 1875. Respecting this complaint, I stated in the report as follows:

"The site of the old coffer mentioned above is supposed to be what Mr. Atkinson calls the obstruction put in by the United States. This old coffer was reported to have been thoroughly removed while General Rodman was in command of the arsenal. The soundings made at the time of the dredging mentioned here; the dredging and subsequent observation convince me that the coffer is so thoroughly removed that it is not an obstruction."

The coffer-dam referred to crossed the pool about 200 yards east of the present site of the arsenal bridge to Moline, and was put there in 1868, pending the construction of the upper water-power dam wall. It was removed before I came to the arsenal, but as long ago as 1872 the water-power company complained to me that the coffer had not been thoroughly removed, and at that time there were officers stationed at the arsenal who had been here when the work was done. They informed me verbally that the removal of the coffer had received a good deal of attention; that the officer who superintended the work reported the coffer thoroughly removed, and that General Rodman had examined the work, and he also stated that the coffer had been thoroughly removed.

I however made soundings, but could not find enough remains of a coffer to form an "obstruction" to the pool.

The cross-section of the pool at this point was so much greater than at the head of the pool, that a large amount of material might have been left in the pool and still form no obstruction to the flow of the water. That is, if at extreme low-water all the water that could get in at the head of the pool were drawn out at the dam, the water was so deep over the site of the old coffer that if any material was left there it had no effect, and left the surface of the water level. Subsequently, I think in the winter of 1873 and 1874, a temporary gorge of ice formed across the head of the pool, and so effectually dammed the water out of the pool that I was able to examine the site of the old coffer thoroughly, and found that, although the coffer had been dredged out, the work had been done with a scoop-dredge, and some of the material had been pushed forward of the scoop and left along the sides of the site of the old coffer.

In the summer of 1874 I went over all the ground again with a dredge very thoroughly, and took out all that could be obtained with any regard to good sense and economy. The material that I took out was mainly loose stones and earth that had been placed along the sides of the coffer to strengthen it when it was in use. With a scoop-dredge, working on a rough rocky bottom, it is nearly impossible that such material should be taken out perfectly clean, because it pushes and rolls in front of the scoop.

The work was, however, well and thoroughly done. I have made many careful soundings since, and cannot find that any considerable amount of material is left.

What has already been stated should be borne in mind. The site of this old coffer is in a deep part of the pool compared with the depth at the head of the pool. The water always stands level over this part of the pool, and the material, if any, left lying at the bottom is not at all an injury or an obstruction to the pool in the sense which the words are intended to convey.

Respecting the other complaint, that the United States has left "in the water-way at the mouth of the canal a mass of stone which holds back the tail-water, and is a positive detriment to the power," I can only state that I do not know what the complaint means, and cannot answer it.

This part of the work was done under my command, and a mass of stone was not left in the mouth of the canal, and none has been put there since the canal was completed.

I have on file very complete drawings and descriptions of all this part of the work, and can without trouble, and would be glad to, furnish any information the commis-

sion may desire; but the complaint gives me no clue to what is meant, and, so far as I know, it is without foundation.

Very respectfully, your obedient servant,

D. W. FLAGLER,

Major of Ordnance, Brevet Lieutenant-Colonel, U. S. A., commanding.

Lieut. Col. H. G. WRIGHT,

United States Engineers, Army Building, New York.

APPENDIX XXXVII.

FIRST DAY.

WASHINGTON, D. C., April 21, 1877.

The commission met at 11 a. m.; present, all the members. Colonel Lyford, Acting for Chief of Ordnance in his absence, laid before the commission certain maps and documents relating to contract between the United States and the Moline Water-Power Company. After examination and an informal discussion of the subject, the commission adjourned to meet at Rock Island Arsenal on May 4, 1877, or as soon thereafter as practicable.

HENRY L. ABBOT,

Major of Engineers, (Recorder.)

SECOND DAY.

ROCK ISLAND ARSENAL, 10 a. m., May 4, 1877.

The commission met according to adjournment; present, all the members. Colonel Flagler, commanding Rock Island Arsenal, laid before the commission an indexed file of letters and papers pertaining to the water-power contracts, and detailed maps and drawings relating thereto. He then verbally explained the history of the water-power at Rock Island from its earliest development to the present state.

The commission then proceeded to visit the works in company with Colonel Flagler, examining the whole minutely.

At 3 p. m. the commission reassembled, and, after further consideration of the subject, adjourned at 4.30 p. m.

HENRY L. ABBOT,

Major of Engineers, (Recorder.)

THIRD DAY.

ROCK ISLAND ARSENAL, 10 a. m., May 5, 1877.

The commission met according to adjournment; present, all the members. The systematic reading of the abstract of the correspondence supplied by Colonel Flagler, was begun, and notes thereof duly taken.

The commission adjourned at 5.15 p. m. to meet on Monday next 9.30 a. m.

HENRY L. ABBOT,

Major of Engineers, (Recorder.)

FOURTH DAY.

ROCK ISLAND ARSENAL, May 7, 1877.

The commission met pursuant to adjournment at 9.30 a. m.; present, all the members. The preliminary reading of the documents was completed, and the second reading of those marked as pertinent and important was begun. A letter was addressed to Mr. Charles Atkinson, president of the Moline Water-Power Company, requesting him to meet the commission in person or by a legal representative at 10 a. m. to-morrow.

At 5 p. m. the commission adjourned until to-morrow at 9.30 a. m.

HENRY L. ABBOT,

Major of Engineers, Brevet Brigadier-General, (Recorder.)

FIFTH DAY.

ROCK ISLAND ARSENAL, May 8, 1877.

The commission met pursuant to adjournment; present, all the members. Mr. Charles Atkinson appeared before the commission and made a full statement of the case of the company. After a verbal statement concerning the early history of the Rock Island water-power, he read his letter of April 1, 1875, to the Chief of Ordnance; the contract made between the United States and his company in 1867; the contract made between the same parties in 1869; Judge Church's letter explanatory of his views of

the contract, dated January 20, 1869; and a letter addressed to himself by the owners of the manufacturing works using the power, dated November 24, 1875. Upon these documents, with verbal explanations, he rested his case for to-day.

The commission requested him to supply: First. A copy of the charter of the company from the State of Illinois. Second. The date of transfer of the property to the present company from its New York owners, who had obtained it from Pitts, Gilbert & Pitts, who had obtained it from D. B. Sears and associates, who obtained the first charter in 1837 and developed the power about 1842. Third. The number of days in each year for several successive years in which the power fell short of the needs of the company, and the amount of such deficiency. Fourth. A statement of any grievances in addition to those enumerated in his letter of April 1, 1875, to the Chief of Ordnance, or, if preferred, a new statement of grievances. Fifth. The amount of power actually in use by the company when supplied with all the water desired. At Mr. Atkinson's suggestion an invitation was extended through him to the prominent manufacturers of Moline to appear before the commission and submit their views to-morrow at 11 a. m. General Henderson, Representative from the Moline district in Congress, appeared before the commission, and stated that he drew the resolution under which the commission is acting, and that it was not designed to impute negligence to the Ordnance Department, but that its object was simply to inform Congress of the just claims of his constituents. The commission then resumed the second reading of the more important of the documents submitted bearing upon the subject-matter under consideration, and, after completing the same, adjourned at 5.15 p. m. to meet at 9.30 a. m. to-morrow.

HENRY L. ABBOT,
Major of Engineers, Brevet Brigadier-General, (Recorder.)

SIXTH DAY.

ROCK ISLAND ARSENAL, May 9, 1877.

The commission met at 9.10 a. m. pursuant to adjournment; present, all the members. The subject of water-gauges and stages of water was studied from the data presented by Colonel Flagler.

At 11 a. m., the following gentlemen, representing the manufacturing interests of Moline, appeared before the commission: J. S. Keator, Judge Gould, secretary of the Moline Water Company; John Deere, S. W. Wheelock, S. Vielie, James Atkinson.

These gentlemen engaged in conversation with the commission, and generally agreed to the following statements of facts:

The three principal manufacturing companies of Moline are the Moline Paper Company, using from 200 to 250 horse-power, and provided with 100 horse-power steam-engine; Deere & Co., using 250 horse-power, and provided with 100 horse-power steam-engine; Moline Plow Company, using 200 horse-power, and provided with 100 horse-power steam-engine.

There are 15 wheels in use, at about 50 horse-power per wheel = 750 horse-power. They agree in estimating that for an average year, at present, there are three months with no useful power available; three months with half horse-power—i. e. 375 horse-power, and six months with 750 horse-power, which is all they desire, or more. Their contracts with the Moline Water-Power Company are that full price shall be paid for the power down to three pounds head; for less than that nothing is paid. After further studying the maps and data presented by Colonel Flagler, and discussing them with him, the commission visited the shops and water power of Deere & Co. and Moline Plow Company, and returning adjourned at 5 p. m., to meet to-morrow at 9.30 a. m.

HENRY L. ABBOT,
Major of Engineers, Bvt. Brig. General, (Recorder.)

SEVENTH DAY.

ROCK ISLAND ARSENAL, May 10, 1877.

The commission met pursuant to adjournment at 9.15 a. m. A letter was addressed to Colonel Flagler requesting him to mail to General Wright's address in New York the following data:

I. Copy of report of Lieut. W. B. Butler, dated February 12, 1872, upon the construction of the wing-dam, with the accompanying tracings.

II. The additional facts respecting cost of same, value of stone received from Engineer Department, labor of enlisted men, &c.

III. Plot of oscillations of river at the bridge from 1860 to 1877.

IV. Detailed record showing head of water available for Moline Water-Power Company for as long a period as possible. The copy of General Schofield's views as to the meaning of the report of the commission of 1867, requested from the Chief of Ordnance, was received from Washington and submitted by Colonel Flagler. The

commission remained in session, waiting for Mr. Charles Atkinson, until 3.30 p. m. ; as he did not appear, and Colonel Flagler having consented to forward any further documents which he might present, the commission adjourned at 3.30 p. m., to meet at the place and time designated by the president.

HENRY L. ABBOT,

Major of Engineers, Bvt. Brig. General, (Recorder.)

EIGHTH DAY.

NEW YORK CITY, June 13, 1877.

The commission met at 10.30 a. m., pursuant to a call of the president; present, all the members. The draft of the final report was discussed and adopted after an examination of certain notes and plottings of gauge-record received from the commanding officer at Rock Island arsenal.

The commission then adjourned *sine die* at 3.15 p. m.

HENRY L. ABBOT,

Major of Engineers, (Recorder.)

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Map of Rivers

Scale

20

is 4 feet
within





